

STATE OF ILLINOIS
ILLINOIS COMMERCE COMMISSION

<p style="text-align: center;">Illinois Commerce Commission On its Own Motion</p> <p style="text-align: center;">vs.</p> <p>MidAmerican Energy Company</p> <p>Reconciliation of revenues collected under Rider EECR with actual costs associated with energy efficiency</p>	<p style="text-align: center;">Docket No. 15-0141</p>
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DIRECT TESTIMONY
OF
CADE J. SIMMONS

1 **Q. Please state your name and business address for the record.**

2 A. My name is Cade J. Simmons. My business address is 106 East Second Street,
3 Davenport, Iowa, 52801.

4 **Q. By whom are you presently employed and in what capacity?**

5 A. I am employed by MidAmerican Energy Company (MidAmerican or Company) as
6 Energy Efficiency Data Analyst.

7 **Q. What is your educational and employment experience?**

8 A. I received my undergraduate degree in Economics from the New Mexico State University
9 in 2007 and a Masters of Economics degree with a concentration in Public Utility
10 Regulation also from the New Mexico State University in 2008. I have been employed by
11 MidAmerican since 2008. I have been employed with the Company as a Rates Analyst
12 from 2008 to 2012 and as the Senior Analyst, Critical Infrastructure Protection Cyber

13 Asset Compliance from 2012 to 2014. My current position is Energy Efficiency Data
14 Analyst. Prior to joining MidAmerican, I was employed as a Research Assistant for the
15 Center for Public Utilities at New Mexico State University.

16 **Q. What is the purpose of your testimony?**

17 A. The purpose of my testimony is to explain revisions to MidAmerican's reconciliation of
18 revenues collected under the Energy Efficiency Cost Recovery Rider (EECR) with the
19 actual costs incurred by MidAmerican associated with implementing the Energy
20 Efficiency Plan (EEP) as recorded on MidAmerican's books with adjustments agreed
21 upon by MidAmerican and Illinois Commerce Commission Staff, for the period
22 beginning January 1, 2011 and ending December 31, 2011.

23 **Q. Have there been any changes to the schedules originally filed in the reconciliation on
24 March 16, 2012?**

25 A. Yes, I am sponsoring the following revisions to those exhibits:

26 Revised Exhibit 1 – Illinois Electric Reconciliation and

27 Revised Exhibit 2 – Illinois Gas Reconciliation.

28 **Q. Please explain Revised Exhibit 1.**

29 A. Revised Exhibit 1 reflects MidAmerican's 2011 electric reconciliation costs excluding
30 sponsorship and promotional video costs MidAmerican has agreed to exclude from
31 energy efficiency (EE) costs. After responding to Staff's data requests and discussions
32 with Staff and in the interest of narrowing the issues in this docket, MidAmerican agreed
33 to exclude certain sponsorship and promotional video costs from the 2011 energy
34 efficiency (EE) costs. MidAmerican's exclusion of these costs does not mean
35 MidAmerican agrees with the rationale for the adjustments and reserves the right to

36 include similar sponsorship and promotional video costs in future cases. Page 1, Column
37 (b) of Revised Exhibit 1 outlines total budgeted costs. Budgets are those filed with the
38 Commission on December 17, 2010 and reflected in the 7th revised information sheet
39 supplemental to Sheet No. 17, Exhibit 1. Column (c) includes total actual EE
40 expenditures from MidAmerican's books. Lines 7 and 16 on Revised Exhibit 1 show the
41 deduction of EE costs that were embedded in MidAmerican's 2011 rates. Column (d)
42 includes the deduction of \$7,293 from book costs agreed to by Staff and MidAmerican
43 related to the retail value of River Bandits season tickets associated with the
44 sponsorship, and promotional video development and sponsorship of the John Deere
45 Classic. \$1,800 is allocated to class and program by the allocators shown in Data
46 Response ST-1.01E Attachment 3 of 3, Energy Efficiency Management – All (17834).
47 These are the allocators used to allocate the original expense. \$5,493.23 is credited
48 directly to Nonresidential Equipment, where the initial expense was charged.

49 Page 2 of Revised Exhibit 1 shows the actual electric EECR dollars recovered by
50 customer class for January 2011 through December 2011. These dollars are from internal
51 Company reports generated from the Customer Service System.

52 On Page 3, Lines 1 and 2 of Revised Exhibit 1, the under (over) recoveries from
53 Revised 2010 are added to the 2011 electric EE cost recoveries from Page 2, Line 13 and
54 compared to the 2011 adjusted EE expenditures from Page 1 to determine the 2011 under
55 (over) recoveries for each class. The total under (over) recoveries are divided by the
56 projected April-December 2012 sales to calculate a reconciliation factor (Factor A) for
57 each class. These reconciliation factors are then added to the EECR factors already in
58 effect to determine the EECR factors that would have become effective April 2, 2012.

59 **Q. Please explain Exhibit 2.**

60 A. Revised Exhibit 2 reflects MidAmerican's 2011 gas reconciliation costs excluding
61 sponsorship and promotional video costs MidAmerican has agreed to exclude from
62 energy efficiency (EE) costs after discussions with Staff. Page 1, Column (b) of Revised
63 Exhibit 2 outlines the total budgeted costs. Page 1, Column (b) of Revised Exhibit 2
64 outlines total budgeted costs. Budgets are those filed with the Commission on December
65 17, 2010 and reflected in the 2nd revised information sheet supplemental to Sheet No.
66 105, Exhibit 1. Column (c) includes total actual 2011 EE expenditures from
67 MidAmerican's books. Column (d) includes the deduction of \$1,200 from book costs
68 agreed to by Staff and MidAmerican related to the retail value of River Bandits season
69 tickets related to the team sponsorship, promotional video and sponsorship of the John
70 Deere Classic. The deduction is allocated to class and program by the allocators shown
71 in Data Response ST-1.01G Attachment 3 of 3, Energy Efficiency Management – All
72 (98853). These are the allocators used to allocate the original expense.

73 Page 2 of Revised Exhibit 2 shows the actual electric EECR dollars recovered by
74 customer class for January 2011 through December 2011. These dollars are from internal
75 Company reports generated from the Customer Service System.

76 On Page 3, Lines 1 and 2 of Revised Exhibit 2, the under (over) recoveries from 2010
77 are added to the 2011 electric EE cost recoveries from Page 2, Line 13 and compared to
78 the 2011 actual EE expenditures less excluded dollars from Page 1 to determine the 2011
79 under (over) recoveries for each class. The total under (over) recoveries are divided by the
80 projected April-December 2012 sales to calculate a reconciliation factor (Factor A) for
81 each class. These reconciliation factors are then added to the EECR factors already in

82 effect to determine the EECR factors that would have become effective April 2, 2012.

83 **R. How will MidAmerican account for the excluded costs from these prior periods?**

84 A. MidAmerican will enter a journal entry into its books for 2015 to remove \$8,493 (\$7,293
85 electric, \$1,200 gas) from the accounts originally charged the expenses in 2011. The
86 reductions will be reflected in 2015 book costs reported in the EE reconciliation filed in
87 2016.

88 **Q. Does MidAmerican have a tariff that requires the reconciliation of the Energy
89 Efficiency Cost Recovery?**

90 A. Yes.

91 **Q. Did MidAmerican comply with the tariff requirement?**

92 A. Yes.

93 **Q. Does this conclude your testimony?**

94 A. Yes.

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 MidAmerican Energy Company)
 Reconciliation of revenues collected)
 under Rider EECR with actual costs)
 associated with energy efficiency)

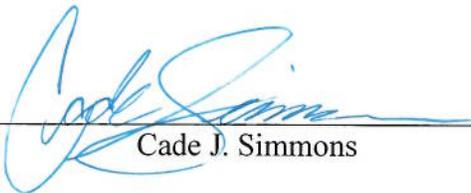
Docket No. 15-0141

AFFIDAVIT OF
CADE J. SIMMONS

STATE OF IOWA)
) ss.
 COUNTY OF SCOTT)

I, Cade J. Simmons, being first duly sworn on oath, depose and state that I am the same Cade J. Simmons identified in the foregoing Direct Testimony; that I have caused the attached Direct Testimony to be prepared and am familiar with the contents thereof; and that the foregoing Direct Testimony is true and correct to the best of my knowledge and belief as of the date of this Affidavit.

Further affiant sayeth not.


 Cade J. Simmons

Subscribed and sworn to before me,
 a Notary Public in and for said County and
 State, this 27th day of February 2015.


 Notary Public

