

**STATE OF ILLINOIS**  
**ILLINOIS COMMERCE COMMISSION**

<p style="text-align: center;"><b>Illinois Commerce Commission</b> <b>On its Own Motion</b></p> <p style="text-align: center;"><b>vs.</b></p> <p><b>MidAmerican Energy Company</b></p> <p><b>Reconciliation of revenues collected under Rider EECR with actual costs associated with energy efficiency</b></p>	<p><b>Docket No. 15-0140</b></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, 2010 and ending December 31, 2010.

23 **Q. Have there been any changes to the schedules originally filed in the reconciliation on  
24 March 18, 2011?**

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 2010 electric reconciliation costs excluding  
30 certain sponsorship costs. After responding to Staff's data requests and discussions with  
31 Staff and in the interest of narrowing the issues in this docket, MidAmerican agreed to  
32 exclude certain sponsorship costs from the 2010 energy efficiency (EE) costs.  
33 MidAmerican's exclusion of these costs does not mean MidAmerican agrees with the  
34 rationale for the adjustments and reserves the right to include similar sponsorship costs in  
35 future cases. Page 1, Column (b) of Revised Exhibit 1 outlines total budgeted costs.

36 Budgets are those filed with the Commission on December 17, 2009, and reflected in the  
37 5<sup>th</sup> revised information sheet supplemental to Sheet No. 17, Exhibit 1. Column (c)  
38 includes the originally filed total actual 2010 EE expenditures from MidAmerican's  
39 books. Lines 7 and 16 on Revised Exhibit 1 show the deduction of EE costs that were  
40 embedded in MidAmerican's 2010 rates. Column (d) includes the deduction of \$275 from  
41 book costs agreed to by Staff and MidAmerican related to the retail value of River  
42 Bandits season tickets associated with the team sponsorship. The deduction is allocated to  
43 class and program by the allocators shown in Data Response ST-1.01E Attachment 3 of  
44 3, Energy Efficiency Management – All (17834). These are the allocators used to allocate  
45 the original expense.

46 Page 2 of Revised Exhibit 1 shows the actual electric EECR dollars recovered by  
47 customer class for January 2010 through December 2010. Column (c) recoveries are the  
48 portion of actual recoveries attributable to the updated 2009 residential budget, which  
49 were accounted for in the 2009 reconciliation, filed March 20, 2010, Docket No. 08-  
50 0107/0108 (Consol.) Exhibit 1, Page 2 of 3, Lines 14-16. 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 2009  
53 are added to the 2010 electric EE cost recoveries from Page 2, Line 13 and compared to  
54 the 2010 adjusted EE expenditures from Page 1 to determine the 2010 under (over)  
55 recoveries for each class. The total for each class is added to any Factor O amounts to be  
56 (refunded) recovered from 2008. Column (b) Factor O is per Lines 13-18 in the rebuttal  
57 testimony of Megan Early in MidAmerican Energy Company Docket No. 10-0682. The  
58 total under (over) recoveries are divided by the projected April-December 2011 sales to

59 calculate a reconciliation factor (Factor A) for each class. These reconciliation factors are  
60 then added to the EECR factors already in effect to determine the new EECR factors that  
61 became effective April 4, 2011.

62 **Q. Please explain Revised Exhibit 2.**

63 A. Revised Exhibit 1 reflects MidAmerican's 2010 gas reconciliation costs excluding  
64 certain sponsorship costs and after responding to Staff's data requests and discussions  
65 with Staff. Page 1, Column (b) of Revised Exhibit 2 outlines the total budgeted costs.  
66 Page 1, Column (b) of Revised Exhibit 2 outlines total budgeted costs. Budgets are those  
67 filed with the Commission on December 17, 2009 and reflected in the 22<sup>nd</sup> revised  
68 information sheet supplemental to Sheet No. 19, Exhibit 1. Lines 6 and 14 from Revised  
69 Exhibit 2, Page 1 show the deduction of EE costs that were embedded in MidAmerican's  
70 2010 rates. Column (c) includes total actual 2010 EE expenditures from MidAmerican's  
71 books. Column (d) includes the deduction of \$225 from book costs agreed to by Staff  
72 and MidAmerican related to the retail value of River Bandits season tickets associated  
73 with the team sponsorship. The deduction is allocated to class and program by the  
74 allocators shown in Data Response ST-1.01G Attachment 3 of 3, Energy Efficiency  
75 Management – All (98853). These are the allocators used to allocate the original  
76 expense.

77 Page 2 of Revised Exhibit 2 shows the actual electric EECR dollars recovered by  
78 customer class for January 2010 through December 2010. Column (c) recoveries are the  
79 portion of actual recoveries attributable to the updated 2009 residential budget which  
80 were accounted for in the 2009 reconciliation, filed March 20, 2010, Docket No. 08-  
81 0107/0108 (Consol.) Exhibit 2, Page 2 of 3, Lines 14-16. These dollars are all from

82 internal Company reports generated from the Customer Service System.

83 On Page 3, Lines 1 and 2 of Revised Exhibit 2, the under (over) recoveries from 2009  
84 are added to the 2010 electric EE cost recoveries from Page 2, Line 13 and compared to  
85 the 2010 actual EE expenditures less excluded dollars from Page 1 to determine the 2010  
86 under (over) recoveries for each class. The total under (over) recoveries are divided by the  
87 projected April-December 2011 sales to calculate a reconciliation factor (Factor A) for  
88 each class. These reconciliation factors are then added to the EECR factors already in  
89 effect to determine the new EECR factors that would have become effective April 4,  
90 2011.

91 **Q. How will MidAmerican account for the excluded costs from these prior periods?**

92 A. MidAmerican will enter a journal entry into its books for 2015 to remove \$500 (\$275  
93 electric and \$225 gas) from the accounts originally charged the expenses in 2010. The  
94 reductions will be reflected in 2015 book costs reported in the EE reconciliation filed in  
95 2016.

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

98 A. Yes.

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

100 A. Yes.

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

102 A. Yes.

STATE OF ILLINOIS

ILLINOIS COMMERCE COMMISSION

Illinois Commerce Commission )  
 On Its Own Motion )  
 vs. )  
 MidAmerican Energy Company )  
 Reconciliation of revenues collected )  
 under Rider EECR with actual costs )  
 associated with energy efficiency )

Docket No. 15- 0140

AFFIDAVIT OF  
CADE J. SIMMONS

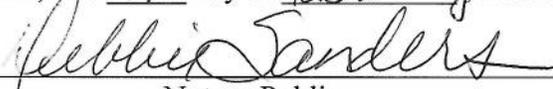
STATE OF IOWA )  
 ) ss.  
 COUNTY OF SCOTT )

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 27<sup>th</sup> day of February 2015.

  
 \_\_\_\_\_  
 Notary Public

