

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: MIDAMERICAN ENERGY COMPANY	DOCKET NO. RPU-05-4
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ORDER REQUIRING ADDITIONAL INFORMATION

(Issued March 14, 2006)

On December 16, 2005, MidAmerican Energy Company (MidAmerican) filed with the Utilities Board (Board) an application for determination of ratemaking principles pertaining to MidAmerican's proposed 2006-2007 wind power expansion project. MidAmerican said it had not yet determined the ultimate nameplate size and location for the project, but it will be installed in more than one location. In addition to ratemaking principles for the wind power project, MidAmerican also asked for approval for a one-year extension of revenue sharing through the year 2012. A stipulation and agreement with the Consumer Advocate Division of the Department of Justice is part of the filing.

On January 4, 2006, the Board issued an order requiring additional information. MidAmerican filed responses on January 12, 2006. The Board determined the responses were not sufficiently comprehensive and scheduled a technical conference on January 26, 2006. On February 2, 2006, MidAmerican filed additional information as a result of the discussions at the technical conference.

The Board determined that with the February 2, 2006, filing, there was sufficient information to proceed with MidAmerican's application for ratemaking principles. The Board issued a docketing order on February 16, 2006; among other things, the order scheduled a hearing beginning April 11, 2006.

The docketing order also granted the petition to intervene filed by the Iowa Farmers Union (IFU). On March 6, 2006, the IFU filed a withdrawal of its request for hearing, which had been part of its petition to intervene. The IFU said it had reached an agreement with MidAmerican to facilitate the opportunity of small community-based wind projects to make sales to MidAmerican. Also on March 6, MidAmerican filed a motion to cancel the hearing.

It is premature to rule on MidAmerican's motion to cancel the hearing. The Board has two additional areas of inquiry related to the costs of the project and whether there is sufficient value in MidAmerican's project to customers, when balanced with the risk customers are being asked to undertake, or whether value to customers could be increased under another scenario. The Board does not have any additional questions now on reliability issues. Rather than wait to ask the questions and request information at hearing, the Board will make the inquiry now. After the response is filed, the Board will rule on the motion to cancel hearing. MidAmerican will be required to provide the following information:

1. Provide the results of analysis conducted (or conduct the analysis and provide the results) that shows the effects on the economics of the 2006-2007 Wind Expansion Project entering commercial operation (a)

prior to December 31, 2007, and (b) subsequent to January 1, 2008. Factor into such analysis any premium paid for the wind turbines procured through a middleman for commercial operation prior to December 31, 2007. Also factor into the analysis the loss of the 1.8¢/kWh production tax credit (PTC) for any facilities that enter commercial operation after January 1, 2008, as well as the lower expected capital costs for those wind turbines (without the premium paid to the middleman). Conduct sensitivity analyses and provide the results assuming several lower levels of the PTC (1.5, 1.2, and 1.0¢/kWh) for wind generation installed in either 2008 or 2009 that will be applicable for the same number of years after commercial operation as the PTC available prior to December 31, 2007.

2. Provide the results of any break-even analysis conducted (or conduct the analysis and provide the results) to determine the level of transmission costs associated with the 2006-2007 Wind Expansion Project that would make the project uneconomic.

Because only limited information is requested at this time, the Board does not believe a second technical conference is necessary. However, to facilitate the process (and avoid the subsequent scheduling of a technical conference if the information filed is not responsive), MidAmerican should contact John Harvey, the Board's Manager of Energy, or Parveen Baig, Regulatory Engineer, if MidAmerican has any questions about what specific information is being requested. Counsel for

the Board has contacted counsel for the parties and has determined there is no objection to using this procedure to clarify what information should be filed.

IT IS THEREFORE ORDERED:

MidAmerican Energy Company shall provide the information identified in this order within ten days of the date of this order.

UTILITIES BOARD

/s/ John R. Norris

/s/ Diane Munns

ATTEST:

/s/ Judi K. Cooper
Executive Secretary

Dated at Des Moines, Iowa, this 14th day of March, 2006.