

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: MIDAMERICAN ENERGY COMPANY	DOCKET NO. TF-06-262
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**ORDER DOCKETING TARIFF, SETTING COMMENT PERIOD,
AND REQUIRING ADDITIONAL INFORMATION**

(Issued October 17, 2006)

On September 22, 2006, MidAmerican Energy Company (MidAmerican) filed with the Utilities Board (Board) proposed tariff changes, identified as TF-06-262. The proposed changes would consolidate MidAmerican's separate zonal tariffs for qualifying cogeneration and small power production facilities (QFs) under the Public Utility Regulatory Policies Act of 1978 (PURPA) with a design capacity of 100 kW or less (small QFs) and consolidate and increase MidAmerican's standard avoided cost tariff rates for small QFs.

MidAmerican's proposed consolidation of the separate zonal small QF tariffs continues a process begun in Docket No. TF-03-445, where all non-rate differences among MidAmerican's separate pricing zones were eliminated for its QF and alternate energy production (AEP) tariffs. In this filing, MidAmerican proposes to fully consolidate its small QF tariffs into one uniform tariff applicable to all QFs in all pricing zones. MidAmerican is not proposing a similar consolidation for its separate AEP tariffs.

In order to allow the Board and interested persons, particularly QF customers, an opportunity to fully review the proposed changes, the Board will docket and

suspend the proposed tariff. Interested persons may file written comments on the proposed changes with the Board on or before December 18, 2006.

The Board will not set a procedural schedule at this time. The Board will review any comments filed and then determine what, if any, additional procedures are appropriate to complete the tariff review.

To facilitate the tariff review, MidAmerican will be required to file additional supporting information. The following information is to be filed within 30 days of the date of this order:

Service Charge

1. With supporting documentation, show whether the proposed uniform \$8.41 service charge is revenue-neutral for MidAmerican. If not, calculate and provide supporting documentation for a uniform, revenue-neutral service charge.
2. Calculate and provide supporting documentation for a uniform, revenue-neutral service charge that also includes the AEP facilities currently paying service charges under MidAmerican rate schedules 24, 58, and 926.

Energy Credits

3. With supporting documentation, show and explain the relationship between MidAmerican's proposed energy credits, and the avoided energy cost data used to produce MidAmerican's 2006 PURPA Avoided Cost Report, filed under 199 IAC 15.3.
4. With supporting documentation, show and explain how MidAmerican's proposed energy credits are derived. If it involves a computer model, provide an electronic copy of the model and printout of the results, plus an electronic copy and printout of all data inputs and assumptions.

Capacity Credit

5. Clarify whether the capacity credit is only available to those with optional time-of-day metering.

6. With supporting documentation, show and explain the relationship between MidAmerican's proposed capacity credit, and the avoided capacity cost data in MidAmerican's 2006 PURPA Avoided Cost Report, filed under 199 IAC 15.3.

7. With supporting documentation, explain how the proposed capacity credit is derived. If it involves a computer model, provide an electronic copy of the model and printout of the results, plus an electronic copy and printout of all data inputs and assumptions.

8. For Factor D in the capacity credit formula, clarify how the capacity rate is adjusted to a monthly basis.

IT IS THEREFORE ORDERED:

1. Tariff filing TF-06-262 is docketed and suspended pending completion of the Board's review of the proposed tariff.
2. Written comments on the proposed tariff changes may be filed with the Board on or before December 18, 2006.
3. MidAmerican shall file the additional information identified in the body of this order within 30 days from the date of this order.

UTILITIES BOARD

/s/ John R. Norris

/s/ Diane Munns

ATTEST:

/s/ Judi K. Cooper
Executive Secretary

/s/ Curtis W. Stamp

Dated at Des Moines, Iowa, this 17th day of October, 2006.