

STATE OF IOWA  
DEPARTMENT OF COMMERCE  
UTILITIES BOARD

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IN RE:  MIDAMERICAN ENERGY COMPANY	DOCKET NO. AEP-03-1
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**ORDER APPROVING AMENDMENT TO VOLUNTARY PURCHASE PROGRAM**

(Issued May 15, 2007)

On December 24, 2003, the Utilities Board (Board) approved a voluntary alternate energy purchase program proposed by MidAmerican Energy Company (MidAmerican) pursuant to Iowa Code § 476.47 and 199 IAC 15.17. MidAmerican's purchase program is called Renewable Advantage. Under the Renewable Advantage program as originally envisioned by MidAmerican, participants would voluntarily contribute up to \$331,000, or approximately 20 percent of the investment cost (\$1.6 million), for a 1.5 MW wind generator. MidAmerican would pay the remaining 80 percent cost share and own the generator as part of its regulated generation portfolio.

The Renewable Advantage purchase program approved by the Board included a contingency for changing the proposed 1.5 MW generator to a smaller facility if customer contributions were less than anticipated or if the investment cost of the generator increased significantly. MidAmerican reports that both of these events have occurred; customer contributions are less than half of the anticipated \$331,000 and the cost of a 1.5 MW generator has increased by 50 percent. Because of these

events, MidAmerican filed a proposed amendment to the Renewable Advantage purchase program on April 19, 2007. No objections to the amendment were filed.

MidAmerican's proposed changes to the Renewable Advantage purchase program include reducing the size of the wind facility from 1.5 MW to 500 kW, which will reduce the total investment cost from \$1.6 million to \$900,000. The size of participants' contribution share of the investment cost would be reduced from 20 percent to 17.5 percent. Finally, the generator would be located at the grounds of the Iowa State Fair, rather than at the site of one of MidAmerican's existing wind farms.

The types of changes proposed by MidAmerican were anticipated as a contingency in the Renewable Advantage purchase program as originally filed. The Board views these changes as an amendment to the Renewable Advantage purchase program and not as a plan modification. MidAmerican states it will notify Renewable Advantage participants about the changes in a separate mailing and MidAmerican's electric customers will be notified via bill insert or customer newsletter article.

The Board will approve the changes proposed by MidAmerican. The changes reflect current contribution and cost levels and defer any ratemaking issues until after expiration of MidAmerican's current revenue requirement settlement. The changes are such that no changes to MidAmerican's current Renewable Advantage tariff are required. Locating the generator on the grounds of the Iowa State Fair will provide a highly visible platform from which to promote renewable energy, as the fair welcomes

over one million visitors annually. MidAmerican anticipates that the turbine can be constructed and in place for the 2007 fair.

**IT IS THEREFORE ORDERED:**

The proposed amendment to the Renewable Advantage alternate energy purchase program filed by MidAmerican Energy Company on April 19, 2007, is approved.

**UTILITIES BOARD**

/s/ John R. Norris

/s/ Curtis W. Stamp

ATTEST:

/s/ Margaret Munson  
Executive Secretary, Deputy

/s/ Krista K. Tanner

Dated at Des Moines, Iowa, this 15<sup>th</sup> day of May, 2007.