

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: MIDAMERICAN ENERGY COMPANY	DOCKET NOS. RPU-07-2 WRU-07-12-156
--	---------------------------------------

**ORDER DOCKETING APPLICATION, SETTING INTERVENTION
DEADLINE, AND GRANTING WAIVER**

(Issued May 25, 2007)

On April 19, 2007, MidAmerican Energy Company (MidAmerican) filed with the Utilities Board (Board) an application for determination of ratemaking principles pertaining to the "Wind IV Iowa Projects," a proposal to construct additional wind generation of up to 540 MW. MidAmerican seeks approval of ratemaking principles that follow the pattern established in MidAmerican's three prior filings for ratemaking principles concerning wind power projects consisting of: (i) the original 310 MW Wind Power Project; (ii) the Wind Power Expansion Project, which allowed MidAmerican to expand the original 310 MW project by adding 30 to 90 MW at the two sites where the original 310 MW of wind turbines were constructed; and (iii) the expansion of its original 310 MW wind-power generation project. The locations for the added wind turbines and ancillary facilities that will comprise the Wind IV Iowa Projects have not been determined.

As part of its application, MidAmerican filed a stipulation and agreement signed by MidAmerican and the Consumer Advocate Division of the Department of

Justice. The stipulation and agreement asks that the Board approve MidAmerican's requested ratemaking principles. Included in the stipulation and agreement is a one-year extension of the revenue-sharing agreement approved on October 17, 2003, in Docket No. RPU-03-1. MidAmerican commits not to seek any general rate increase in Iowa electric base rates to become effective during 2014, unless its Iowa jurisdiction return on equity for electric operations in 2013 falls below 10 percent. The stipulation and agreement specifically provide that zonal rate imbalances may be addressed by the Board in Docket No. RPU-07-2 and associated dockets.

Iowa Code § 476.53 provides that when certain new electric generation is to be constructed by a public utility, the Board shall specify in advance, by order issued after a contested case proceeding, the ratemaking principles that will apply when the costs of the new generation are included in electric rates. MidAmerican's expansion falls within the defined class of new electric generation eligible for ratemaking principles.

The Board has reviewed the application and will docket it for investigation. The Board will also grant a waiver of 199 IAC 7.2(11)"a," which provides that a settlement may be filed at any time after a case is docketed. Here, the settlement and agreement was filed as part of the ratemaking principles application. The waiver, which was requested by MidAmerican in its filing, is appropriate because it gives other potential intervenors an opportunity to review the settlement and agreement

prior to making their decision whether to intervene in the proceeding. The standards for granting a waiver contained in 199 IAC 1.3 are satisfied.

MidAmerican also requested that the Board conduct an expedited review of the application. MidAmerican said a ruling was needed by June 15, 2007, so that MidAmerican can take advantage of the federal production tax credit for wind facilities. The Board's ability to meet that target will depend, in part, upon the presence or absence of any intervenors and consideration of any issues they may raise. Therefore, the Board will defer setting a procedural schedule until after the intervention deadline has passed. If there are no filings in opposition to the settlement, and if the Board's review of the application is satisfactory, then further proceedings should not be necessary.

IT IS THEREFORE ORDERED:

1. An investigation is initiated with respect to the application for determination of ratemaking principles filed by MidAmerican Energy Company on April 19, 2007. This matter is identified as Docket No. RPU-07-2, a formal contested case proceeding. The expenses reasonably attributable to this investigation will be assessed to MidAmerican in accordance with Iowa Code § 476.10 (2007).
2. The deadline to file a petition to intervene in this proceeding shall be June 1, 2007. Any petition to intervene shall state whether the prospective intervenor supports or opposes the settlement and agreement.

3. The request for waiver of 199 IAC 7.2(11)"a" filed by MidAmerican Energy Company on April 19, 2007, as part of its ratemaking principles application, is granted.

UTILITIES BOARD

/s/ John R. Norris

/s/ Curtis W. Stamp

ATTEST:

/s/ Judi K. Cooper
Executive Secretary

/s/ Krista K. Tanner

Dated at Des Moines, Iowa, this 25th day of May, 2007.