

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: MIDAMERICAN ENERGY COMPANY	DOCKET NO. P-571
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**ORDER RECLASSIFYING NATURAL GAS PIPELINE,
TERMINATING PERMIT, AND CLOSING DOCKET**

(Issued April 9, 2008)

On November 29, 2007, MidAmerican Energy Company (MidAmerican) filed with the Utilities Board (Board) a petition requesting the Board reclassify the natural gas pipeline known as the River Heights Lateral from a transmission pipeline to a distribution pipeline and terminate the permit associated with the pipeline. The River Heights Lateral is located in Coralville, Iowa, in Johnson County and is operated pursuant to Pipeline Renewal Permit No. R1088 issued in Docket No. P-571. The petition was filed pursuant to Iowa Code chapter 479 and Board rule 199 IAC 10.16, which establishes the requirements for a natural gas permit.

The River Heights Lateral consists of approximately 2.8 miles of 2, 3, and 4-inch diameter steel pipe, formerly with a maximum allowable operating pressure of 600 psig (pounds per square inch gauge). It delivered natural gas to four different district regulator stations, which reduced the pressure to 60 psig for a network of mains and services that provide gas to individual customers. MidAmerican has now installed a new single 600-to-60 psig regulator station at the upstream end of the

lateral, removed the four existing regulator stations, and will operate the pipeline as part of the 60 psig distribution system.

On December 17, 2007, Board staff sent a letter to MidAmerican requesting additional information or clarification of several issues regarding the request. On December 28, 2007, MidAmerican sent a response to Board's staff's letter, and on March 31, 2008, MidAmerican informed Board staff that the work of converting the pipeline was completed.

Board rule 199 IAC 10.16(479) states that a permit is required for any pipeline that will be operated at a pressure of 150 psig or more or which, regardless of operating pressure, is a transmission line as defined in ASME (American Society of Mechanical Engineers) Standard B31.8 or 49 CFR Part 192. Since the River Heights Lateral operated at 600 psig and functioned as a transmission pipeline, it required a permit from the Board.

MidAmerican has reduced the pressure in the pipeline to 60 psig and the pipeline is now an integral part of a widespread distribution system. With these modifications, the pipeline no longer meets the requirements for a permit in 199 IAC 10.19. The Board will grant MidAmerican's request and reclassify the River Heights Lateral to a distribution pipeline, will terminate Pipeline Renewal Permit No. R1088, and will close Docket No. P-571.

IT IS THEREFORE ORDERED:

1. MidAmerican Energy Company's request to reclassify the natural gas pipeline known as the River Heights Lateral from a transmission pipeline to a distribution pipeline is granted.
2. Pipeline Renewal Permit No. R1088 is terminated.
3. Docket No. P-571 is closed.

UTILITIES BOARD

/s/ John R. Norris

/s/ Krista K. Tanner

ATTEST:

/s/ Judi K. Cooper
Executive Secretary

/s/ Darrell Hanson

Dated at Des Moines, Iowa, this 9th day of April, 2008.