

Wind XII Update March 1, 2019

A. Background

This is MidAmerican Energy Company's ("MidAmerican") status update for the Iowa Utilities Board ("Board") in response to the Board's December 4, 2018 Final Decision and Order, issued in Docket No. RPU-2018-0003 ("Order"). The Order does not require this update, but MidAmerican assumes it is the Board's desire that this update be filed semi-annually like the updates the Board has required for other Projects.

B. Status for Wind XII Iowa Project (Docket No. RPU-2018-0003)

The Wind XII facilities are planned to be installed over two years at multiple sites, some of which have not yet been finalized. Through December 31, 2018, expenditures on Wind XII totaled \$87.9 million. The currently estimated project cost is \$921.7 million, or \$1,560/kW. The four largest components of the \$921.7 million total are: (i) \$ [REDACTED] million including spent, committed and estimated amounts for the purchase of the wind turbines, (ii) the balance of plant services are estimated at approximately \$ [REDACTED] million, (iii) substation development costs are estimated at \$ [REDACTED] million, and (iv) off-site transmission costs are estimated at \$ [REDACTED] million. (An unredacted copy of this page has been provided pursuant to a Request for Confidential Treatment.) The remaining project costs are estimated at \$148 million, approximately 16% of the total estimated cost, for general project expenses such as operations and maintenance buildings, MidAmerican labor, contractor labor, AFUDC, etc. The estimated project cost of \$1,560/kW is at the cost cap of \$ 1.56 million per MW (including AFUDC). The entire Project is expected to be in-service by December 31, 2020.

Actual Operating and Capital Costs of Wind XII

This Project's turbines have not yet been placed in service.

Revenue Sharing Reporting

This Project's turbines have not yet been placed in service.

Income from PTCs, REC Sales, Capacity Sales, and Net System Benefits Attributable to Wind XII

This Project's turbines have not yet been placed in service.

Annual Report Regarding the Quantity of All Environmental Benefits Retired on Behalf of Each ICR Customer That Elects Retirement per Ratemaking Principle No. 7 (Environmental Benefits)

- i. Quantity of Environmental Benefits Retired on Behalf of Each Electing ICR Customer:
The allocation calculation has not yet been made for calendar year 2018. MidAmerican

will report on these environmental benefits in its March 2019 update as prescribed by the Board's order.

ii. Quantity of Environmental Benefits Sold and the Value of Sold Benefits Maintained in the Regulatory Liability Account Defined in Ratemaking Principle No. 7:

- Quantity of Benefits Sold:
- Value of Benefits Maintained in the Regulatory Liability Account:

This Project's turbines have not yet been placed in service.

C. Transmission Studies and Off-site transmission

Please see the transmission related discussion under the Project update below.

200.9 MW Ida Grove II Site

The Ida Grove II site, located in Ida County, is a wind farm which was acquired from a subsidiary of Invenenergy that interconnects to the 345 kV system at the Ida County West substation in Ida County. Construction at Ida will begin in 2019.

MISO queue project J412 was studied in the August 2015 West Definitive Planning Phase (DPP) System Impact Study (SIS) which is now completed. MISO's completed transmission study is available at the following MISO link:

https://www.misoenergy.org/planning/generator-interconnection/GI_Studies

Once on the MISO site, select the desired documents.

This wind farm site received an executed Conditional Generator Interconnection Agreement (Conditional GIA) dated August 23, 2017.

Operation of the site is guided by the Conditional GIA. Until all identified upgrades and contingent facilities are completed, the output may be limited on an annual basis through the MISO Annual ERIS Evaluation and/or on a quarterly basis through the MISO Quarterly Operating Limit (QOL) review that could reduce output by as much as its fully requested output. As reported in previous updates on other MidAmerican Wind Projects, in response to input from stakeholders, including MidAmerican, MISO reviewed its QOL review process. MISO's revised process reduces, but does not eliminate, the possibility of any future limitations at the site while the site is part of the QOL review.

In MISO's Annual ERIS Evaluation, J412 was not studied. Therefore, 200.9 MW of the 200.9 MW (the GIA injection limit) is subject to curtailment in the QOL process for MISO's 2018-2019 planning year (June 2018 through May 2019).

Other Sites

As stated above, the remaining Wind XII Project sites, hosting the remaining approximately 390.1 MW, have not yet been finalized.

Next Report

MidAmerican's next update is due September 1, 2019.