STATE OF IOWA DEPARTMENT OF COMMERCE BEFORE THE IOWA UTILITIES BOARD

IN RE:

DOCKET NOS. SPU-2021-0003, RPU-2022-0001

MIDAMERICAN ENERGY COMPANY

COMMENTS IN RESPONSE TO BOARD ORDER REQUESTING PROPOSALS

COME NOW Google LLC ("*Google*") and Facebook, Inc. ("*Facebook*") (jointly, the "*Tech Customers*"), and in response to the Board's Order Requesting Proposals and Scheduling Oral Argument ("*Order*") state as follows:

1. The Tech Customers urge the Board to consolidate Docket Nos. SPU-2021-0003 and RPU-2022-0001 into a single contested case. Consolidating the dockets, which involve common parties, goals, and questions of law and fact, is the most efficient and least prejudicial way to provide the Board and parties with the information needed to assess both dockets.

2. The Board opened Docket No. SPU-2021-0003 ("SPU Docket") to "review MidAmerican's generation fleet" and "to explore MidAmerican's long-term resource needs, including consideration of least-cost options for generation, environmental requirements, reliability and economic development potential." *See MidAmerican Energy Company*, Docket No. SPU-2021-0003 "Order Opening Docket and Proposal to Take Official Notice", pp. 1, 2 (Iowa U.B. May 13, 2021). The Board identified several statutes that allow the Board to consider the management of the business of all public utilities¹, the reasonableness and prudence of MidAmerican's procurement and contracting practices related to the acquisition of fuel for use in

¹ Iowa Code § 476.2(4).

generating electricity², and consideration of forecasts of future gas requirements or electric generating needs³. The Tech Customers have encouraged and strongly support the Board's efforts to study these important topics and to provide MidAmerican's customers and other stakeholders an opportunity to understand and evaluate MidAmerican's practices.

3. MidAmerican filed its application in Docket No. RPU-2022-0001 ("*RPU Docket*") to seek determination of advance ratemaking principles for nearly 2100 MW of additional wind and solar generation. Before ratemaking principles may be determined, Iowa Code § 476.53 requires MidAmerican to demonstrate to the Board that it "has considered other sources for long-term electric supply and that the facility or lease is reasonable when compared to other feasible alternative sources of supply." Section 476.53 also requires that new generation facilities be "cost-effective" and be sufficient to "ensure reliable electric service to Iowa consumers." As identified in the Board's Order, the advance ratemaking principles proposal implicates MidAmerican's long-term resource plan for generation, the costs of generation, environmental requirements, reliability, baseload generation, and economic development potential. Order, p. 2. Thus, there is a great deal of overlap in the questions and issues in each docket.

4. Each docket is a contested $case^4$ which should include discovery on these related

² Iowa Code § 476.6(12).

³ Iowa Code § 476.6(16).

⁴ MidAmerican acknowledges that Wind PRIME is a contested case. While MidAmerican argues that the SPU Docket is informational only, that argument is belied by the text of section 476.6(12) ("electric energy supply and cost review" "shall be conducted as a contested case proceeding pursuant to chapter 17A, the definition of a contested case under the APA and the district court's ruling in Case No. CVCV61992 finding that the Board has opened a contested case proceeding in the SPU Docket. See *MidAmerican Energy Company*, Docket No. SPU-2021-0003 "Reply to Resistance to Motion to Compel Production", pp. 3-4 (Iowa U.B. September 20, 2021); December 7, 2022 Ruling on Petition for Judicial Review, Polk County District Court Case No. CVCV061992.

topics.⁵ In addition to the overlapping legal and factual issues, these dockets involve similar discovery issues that could be more efficiently dealt with at the same time in a single docket.

5. In the SPU Docket, MidAmerican refused to provide confidential information to the Tech Customers and others because it claims that the docket is informational only. Similarly, in the RPU Docket, and for the first time in one of its advance ratemaking proposals, MidAmerican has refused to provide information to the Tech Customers that it deems "competitive". In both instances, the Tech Customers disagree with MidAmerican's reasons for refusing to provide the requested information. However, since these overlapping issues already exist in both dockets, it would be most efficient for the Board to adjudicate these disputes at the same time. The Tech Customers are also hopeful concurrent adjudication of these issues will encourage MidAmerican to provide them and the other parties with discovery without the necessity of extensive motion practice in future dockets.

6. Further, having generation planning information is helpful to the Board, Office of Consumer Advocate, and other stakeholders, including customers. Without a resource planning analysis, it is difficult if not impossible to assess all feasible alternatives to replace/expand existing generation capacity and which alternatives are a reasonable, cost-effective way to meet reliability requirements, forecasted customer need, a diversified fuel mix, and the like, or if it is simply being proposed to drive utility – or parent company – profitability. These issues go to the heart of the analysis that the Board must conduct under the statute.

7. Interstate Power and Light Company ("IPL") engaged in a resource planning

⁵ The Tech Customers' concerns with MidAmerican's discovery practices are outlined in more detail in their Objection to Application for Confidential Treatment, and Objection to Proposed Procedural Schedule filed contemporaneously herewith.

analysis following its last rate case⁶. That analysis involved engagement of and active participation by stakeholders that included input into various generation portfolio scenarios. A process like the one undertaken by IPL allows for transparency, stakeholder input, and regulatory oversight to ensure that any generation proposed is reasonable, necessary, cost-effective, and beneficial to customers. Those principles were involved in the proposed settlement that gave rise to the SPU Docket itself, and the advance ratemaking proposal filed by MidAmerican.

8. Because the principles, parties, and issues of law and fact are shared between the SPU Docket and the RPU Docket, consolidating them not only makes sense, but it is the right thing to do to ensure that a complete consideration of MidAmerican's proposal is undertaken. Combining the two dockets is of the utmost importance because the Board – and parties – should have the information that the Board ordered to be reviewed in the SPU Docket in order to determine whether Wind Prime is a reasonable, necessary, and cost-effective way to provide sufficient generation to MidAmerican's customers. Wind Prime is an exceedingly costly, massive increase in generation that MidAmerican has not demonstrated is necessary or reasonable in light of other feasible alternatives. Before customers are forced to bear the increased costs that this project will result in, Wind Prime should be carefully considered by the Board through a complete record informed by a full and thorough discovery process. For too long, over many years and many dockets, MidAmerican has sought to avoid the generation planning questions raised by the parties in both the SPU Docket and the RPU Docket. Those efforts have continued thus far in both dockets as well. Combining these dockets will aid the Board's careful consideration that a proposed project of this magnitude requires.

⁶See Iowa Clean Energy Blueprint: 2020 Resource Planning, Docket No. RPU-2019-0001, filed November 20, 2020.

9. The Tech Customers thank the Board for raising the possibility of the practical and

efficient manner of handling these important issues and allowing the Tech Customers an opportunity to comment.

WHEREFORE, Google and Facebook respectfully request that the Board combine Docket Nos. SPU-2021-0003 and RPU-2022-0001 as a single, contested case.

Dated April 14, 2022. Respectfully submitted,

BROWN, WINICK, GRAVES, GROSS, BASKERVILLE & SCHOENEBAUM, P.L.C.

By /s/ Samantha C. Norris

Samantha C. Norris Haley R. Van Loon David J. Lynch 666 Grand Avenue, Suite 2000 Des Moines, IA 50309-2510 Tel.: (515) 242-2400 Fax: (515) 323-8518 samantha.norris@brownwinick.com haley.vanloon@brownwinick.com david.lynch@brownwinick.com

ATTORNEYS FOR GOOGLE LLC AND FACEBOOK, INC.