

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: MIDAMERICAN ENERGY COMPANY	DOCKET NOS. SPU-2021-0003, RPU-2022-0001
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ORDER ADDRESSING POTENTIAL CONSOLIDATION OF DOCKETS

PROCEDURAL BACKGROUND

On May 13, 2021, the Utilities Board (Board) opened Docket No. SPU-2021-0003 as part of its final order in Docket No. EPB-2020-0156 to: (1) review MidAmerican Energy Company's (MidAmerican) long-term resource plans; (2) review the reasonableness and prudence of MidAmerican's procurement and contracting practices related to the acquisition of fuel for use in generating electricity; and (3) address a forecast of future gas requirements or electric generating needs, including consideration of least-cost options for generation, environmental requirements, reliability, and economic development potential as information necessary to enable the Board to perform its duties. The May 13, 2021 order also requested information from MidAmerican.

On August 12, 2021, MidAmerican made its initial filings in response to the May 13, 2021 order, and also filed a request for confidentiality for certain information provided in their responses. In its filing, MidAmerican also made a request for clarification from the Board as to whether the docket is limited to a review of

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MidAmerican's management practices as permitted by Iowa Code § 476.2(4), and thus is an informational docket, or if the docket is a contested case proceeding.

Responses to MidAmerican's initial filing were filed by the Office of Consumer Advocate (OCA), a division of the Iowa Department of Justice; the Environmental Law and Policy Center, the Iowa Environmental Council, and the Sierra Club (collectively, Environmental Organizations); Facebook, Inc., and Google LLC (collectively, Tech Customers); and the Iowa Business Energy Coalition (IBEC). In addition, motions to compel, requests for additional time, and a request for intervention were filed.

On January 19, 2022, MidAmerican filed an application for a determination of advance ratemaking principles (Application), identified as Docket No. RPU-2022-0001. This Application, referred to as Wind PRIME, would add up to 2,042 megawatts (MW) of new wind generation and up to 50 MW of solar generation, and requested particular treatment for technology study costs relating to carbon capture, energy storage, and small modular nuclear reactor technologies. MidAmerican concurrently filed a "Request for Waiver" (Waiver) on January 19, 2022, seeking waiver of Board Rules 199 Iowa Administrative Code (IAC) 20.9(1) and (2) as they apply to MidAmerican's energy adjustment clause, and 199 IAC 41.3(1)(c)-(g) to the extent information requested by such rules is not reasonably available and presented in MidAmerican's Application.

On February 8, 2022, OCA filed an objection to the Application and Waiver and requested that the Application be docketed for further review. Petitions to intervene were filed by IBEC, the Environmental Organizations, and the Tech Customers, which were all granted on April 4, 2022.

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On April 4, 2022, the Board issued an order requesting the parties file proposals addressing overlapping issues in Docket Nos. SPU-2021-0003 and RPU-2022-0001 and scheduling an oral discussion. In the April 4, 2022 order, the Board stated there are important issues regarding MidAmerican's resource planning raised in both dockets.

The Board asked the parties to discuss three potential options: (1) consolidate Docket Nos. SPU-2021-0003 and RPU-2022-0001 and set one procedural schedule; (2) stay Docket No. SPU-2021-0003 until such time as the final order is issued in Docket No. RPU-2022-0001 to allow the Board to consider the overlapping issues; or (3) proceed with both dockets simultaneously and address the overlapping issues separately in each docket.

IBEC, OCA, MidAmerican, the Environmental Organizations, and the Tech Customers filed responses to the April 4, 2022 order and filed pleadings stating they intended to participate in the oral discussion. In addition, SSAB Enterprises, LLC (SSAB), and Central Iowa Power Cooperative, Corn Belt Power Cooperative, and Northwest Iowa Power Cooperative (collectively, the Cooperatives) filed responses to the April 4, 2022 order and indicated they would participate in the oral discussion.

MidAmerican, SSAB, and the Cooperatives supported staying Docket No. SPU-2021-0003 and proceeding with Docket No. RPU-2022-0001 independently. OCA, the Environmental Organizations, IBEC, and the Tech Customers supported consolidation of Docket Nos. SPU-2021-0003 and RPU-2022-0001.

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BOARD DISCUSSION

The Board has considered the comments and proposals regarding consolidation of Docket Nos. SPU-2021-0003 and RPU-2022-0001 and the discussion by the parties at the oral discussion on April 21, 2022. The Board has also considered the criteria in 199 IAC 7.14(1) and finds that consolidation would not expedite or simplify the issues in either docket. The Board has determined that the dockets have overlapping factual issues; however, the dockets are open for different purposes and consolidation appears to raise procedural and other issues. This could distract from the primary issues addressed in each docket. Maintaining the separation of the two dockets will allow both dockets to move forward on distinct procedural schedules and allow parties to address the primary issues raised in each docket. The Board will address procedural issues and timing separately in Docket Nos. SPU-2021-0003 and RPU-2022-0001.

Many of the factual issues being addressed in Docket No. SPU-2021-0003 may be addressed as part of the review of the proposed advance ratemaking principles to be considered in Docket No. RPU-2022-0001, including, but not limited to:

- a. Overview of MidAmerican's generation capacity, projected long-term generation capacity needs, and plans to meet those needs;
- b. Consideration of alternative generation capacity approaches, including fuel switching, generating unit retirement, modified dispatch, wholesale market transactions, the costs of alternative compliance options, and the reasonableness of primarily choosing wind over other available options;
- c. Reliability;
- d. Impact on baseload generation assets, including coal-based generation, and whether retirement plans are changed due to Wind PRIME;
- e. Proposed generation assets' impact on economic development potential and ability to meet growing customer demand; and

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- f. Availability and sufficiency of transmission and distribution assets to appropriately utilize proposed generation assets.

The Board will be requesting information from MidAmerican by separate order(s) to develop sufficient information on the record to make a reasonable decision regarding the Application and the Waiver.

ORDERING CLAUSE

IT IS THEREFORE ORDERED:

After full consideration of the information provided, the Utilities Board declines to consolidate Docket Nos. SPU-2021-0003 and RPU-2022-0001.

UTILITIES BOARD

Geri Huser Date: 2022.05.17
12:26:08 -05'00'

Richard Lozier Date: 2022.05.17
13:21:15 -05'00'

ATTEST:

Kerrilyn Russ Digitally signed by Kerrilyn Russ
Date: 2022.05.18 13:58:51
-05'00'

Joshua J Byrnes Date: 2022.05.17
11:43:06 -05'00'

Dated at Des Moines, Iowa, this 18th day of May, 2022.