STATE OF ILLINOIS

ILLINOIS COMMERCE COMMISSION

MidAmerican Energy Company

Verified Petition for Reconciliation of
Revenues Collected under Rider EUA
– Electric Utility Assessment.

ORDER

By the Commission:

I. BACKGROUND


On June 14, 2018, MidAmerican submitted revised tariffs to implement Rider EUA. This tariff filing was identified by the Commission as ERM #18-096. On June 29, 2018, MidAmerican submitted an informational filing to establish the initial Rider EUA factors. This informational filing was identified by the Commission as ERM #18-108. Rider EUA became effective on July 31, 2018 with the initial Rider EUA factors going into effect with the first billing cycle of August 2018 on July 31, 2018.

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Rider EUA provides for the recovery of Commission assessments paid by MidAmerican pursuant to subsection (i-5) of Section 2-202 of the Public Utilities Act (“Act”). Rider EUA includes a formula rate designed to pass through—with no mark-up—the cost of these assessments. The Rider EUA rates are historical-looking based on the actual assessments received from the Commission plus any applicable adjustments, including interest. The Rider EUA rates are recalculated, at a minimum, on an annual basis, and an informational filing is made no later than 30 days after receipt of the annual assessment to implement the updated rates. The Rider EUA rates are applied monthly to customers’ bills. For rates with a basic service charge, the Rider EUA rates are added to the basic service charge for billing purposes. For rates without basic service charge (lighting rates), the Rider EUA rates are added to the delivery charge for billing purposes.

Pursuant to proper notice, a prehearing conference was held in the matter before a duly authorized Administrative Law Judge of the Commission on August 13, 2019 wherein the parties adopted a procedural schedule. An evidentiary hearing was held on
October 15, 2019. The Company presented the testimony and exhibits of Amanda Hosch, Director of Regulatory Policy and Rates at MidAmerican. Commission Staff (“Staff”) presented the testimony and exhibits of Steven R. Knepler, a Supervisor in the Accounting Department of the Financial Analysis Division of the Commission. Each party was afforded the opportunity to cross examine the other. No parties intervened. The record was marked "Heard and Taken" at the conclusion of the hearing. There were no contested issues, and the Company submitted a Draft Order on October 31, 2019, which was reviewed by Staff.

II. RECONCILIATION OF RIDER EUA REVENUES AND COSTS

MidAmerican witness Hosch presented the cumulative recovery of the Company’s costs over the twelve-month reconciliation period ending July 31, 2019 under Rider EUA. Ms. Hosch provided a reconciliation of the cumulative totals of incremental expenses and revenues for the applicable period in MidAmerican Exhibit A. The reconciliation reflects $167,241 in Recoverable Electric Utility Assessments and $170,504 in Rider EUA recoveries; thus, MidAmerican over-recovered its costs by $3,263 and when combined with $82 of accrued interest charges, results in a cumulative over-recovered balance of $3,345.

III. STAFF’S POSITION

Staff witness Knepler provided testimony and schedules presenting the Company's initial Rider EUA reconciliation. Mr. Knepler stated that Staff’s calculations agreed with the Company’s exhibit; therefore, he did not propose any adjustments to the Company's reconciliation. Furthermore, Staff had no objection to MidAmerican’s plan to implement the newly calculated Rider EUA factors. Staff Ex. 1.0 at 3. Mr. Knepler recommended that the Commission approve the Company’s reconciliation for Rider EUA as reflected in Staff Schedule 1.1 and include the same schedule as an Appendix to the Final Order. Staff Ex. 1.0 at 4.

IV. COMMISSION ANALYSIS AND CONCLUSION

Pursuant to Rider EUA, MidAmerican presented a summary of costs recorded and revenue collected during the applicable reconciliation period of August 2018 through July 2019. Based on the evidence presented, the Commission finds that the Rider EUA schedules presented by MidAmerican appropriately reconcile the revenues collected with the actual costs prudently incurred for Rider EUA – Electric Utility Assessment pursuant to subsection (i-5) of Section 2-202 of the Act during the initial reconciliation period of August 2018 through July 2019. As recommended by Mr. Knepler, the Appendix reflects the reconciliation in the transparent format presented by Staff.

The Commission finds that the reconciliation of costs and recoveries for the reconciliation period of August 2018 through July 2019 for Rider EUA reflects an over-recovery of $3,263 and when combined with $82 of accrued interest charges, results in a cumulative over-recovered balance of $3,345. MidAmerican is further directed to continue filing its Annual Rider EUA Reconciliation Reports with its petition for reconciliation and testimony each year within 30 days of receipt of annual assessment notice, usually to be effective with the August billing period.
V. FINDINGS AND ORDERING PARAGRAPHS

The Commission, having considered the entire record and being fully advised in the premises, is of the opinion and finds that:

(1) MidAmerican Energy Company is an Iowa corporation engaged in the distribution of electricity to the public in Illinois, and, as such, is a public utility within the meaning of the Public Utilities Act;

(2) the Commission has jurisdiction over MidAmerican Energy Company and the subject matter in this proceeding;

(3) the statements of fact set forth in the prefatory portion of this Order are supported by the record and hereby adopted as findings herein;

(4) the reconciliation of MidAmerican Energy Company's Rider EUA, as presented by Staff, reflected in the attached Appendix, should be approved;

(5) MidAmerican Energy Company is directed to continue filing Annual Rider EUA Reconciliation Reports with its petition for reconciliation and testimony each year within 30 days of receipt of annual assessment notice, usually to be effective with the August billing period; and

(6) all motions, petitions, objections, or other matters in this proceeding that remain unresolved should be resolved consistent with the conclusion contained herein.

IT IS THEREFORE ORDERED by the Illinois Commerce Commission that the reconciliation of MidAmerican Energy Company's Rider EUA for the reconciliation period of August 2018 through July 2019, as reflected in the attached Appendix, is hereby approved.

IT IS FURTHER ORDERED by the Illinois Commerce Commission that MidAmerican Energy Company is directed to continue filing Annual Rider EUA Reconciliation Reports with its petition for reconciliation and testimony each year within 30 days of receipt of annual assessment notice, usually to be effective with the August billing period.

IT IS FURTHER ORDERED that all motions, petitions, objections, or other matters in this proceeding that remain unresolved are hereby resolved consistent with the conclusion contained herein.

IT IS FURTHER ORDERED that subject to the provisions of Section 10-113 of the Public Utilities Act and 83 Ill. Adm. Code 200.880, this Order is final; it is not subject to the Administrative Review Law.

By Order of this Commission this 4th day of December, 2019.

(SIGNED) CARRIE ZALEWSKI

Chairman