

STATE OF IOWA  
DEPARTMENT OF COMMERCE  
UTILITIES BOARD

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| IN RE:<br><br>MIDAMERICAN ENERGY COMPANY | DOCKET NO. EPB-2014-0156 |
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**ORDER REQUIRING ADDITIONAL INFORMATION**

(Issued December 3, 2014)

On April 1, 2014, MidAmerican Energy Company (MidAmerican) filed with the Utilities Board (Board) an updated Emissions Plan and Budget (EPB) pursuant to Iowa Code § 476.6(21). MidAmerican's EPB update addresses its multi-year plan and budget for managing regulated emissions from its Iowa generating facilities that are fueled by coal. MidAmerican's updated EPB details its capital, operations and maintenance, and emissions allowance costs for 2014 through 2016. It also provides information on projected capital projects through 2023. On August 7, 2014, the Iowa Department of Natural Resources (IDNR) filed testimony stating that IDNR believes MidAmerican's EPB filing meets applicable state environmental requirements and that IDNR has no further comments at this time.

In order to evaluate MidAmerican's EPB to determine if the filing is complete, the Board requires additional information. MidAmerican is to provide the following information within 15 days of the date of this order:

1. The columns in Exhibit 1 showing the “Total” and “MidAmerican Share” of the “ten-year” costs of projects included in the Plan Update are labeled “2010 – 2023.” Provide an updated spreadsheet with the 2014 – 2023 total and MidAmerican share of capital costs for each project and for the ten-year budget as a whole.
2. In Exhibit 1, the 2014 costs shown for the Activated Carbon Injection (ACI) systems planned at Neal Units 3 and 4 exceed the ten-year total shown for the projects. Correct or explain this inconsistency.
3. A number of projects were slated to come online following the planned May 2014 outage at Neal 3. Provide status updates on the following:
  - a. Scrubber and baghouse;
  - b. Turbine efficiency project;
  - c. Selective non-catalytic reduction or SNCR; and
  - d. Activated carbon injection or ACI.
4. Court decisions affecting coal plant emissions were issued subsequent to MidAmerican's April 1, 2014, filing. The potential impact of the cooling water intake ruling was addressed by the IDNR in its testimony. Specify whether and how the following decisions impact MidAmerican's environmental plan and budget.
  - a. The June 23, 2014, U.S. Supreme Court ruling partially invalidating the Tailoring Rule.
  - b. The April 29, 2014, U.S. Supreme Court reversal of the D.C. Circuit Court's decision vacating the Cross State Air Pollution Rule (CSAPR) and the D.C. Circuit Court's October 23, 2014, decision that lifted the stay on CSAPR.
5. Conflicting information appears to have been filed regarding the status of the ACI projects at Neal 3 and 4, Louisa, and WSEC 3. These statements are found in Exhibit 1 of MidAmerican's filing in Docket No. EPB-2012-0156 on February 13, 2014, at page 2, pages 5 through 7 and 13 through 17 of MidAmerican's current EPB filing, page 5 of Maystrick's direct testimony, and Exhibit 1. Please reconcile these statements and provide the following information:

- a. Provide a timeline (both historical and projected) of each facility's ACI system regulatory approval, construction, and in-service date and update this Plan's exhibits accordingly.
  - b. Explain the basis for the budget numbers for the ACI equipment at these units.
  - c. Explain the variance in the costs of the ACI projects at Neal 3 and 4 between the 2012 and 2014 filing as well as the timing of the expenditures.
6. What options are being considering for compliance with pending coal combustion by-product regulations?
  7. Does MidAmerican plan to include in a future EPB update costs related to coal combustion by-product, cooling water intake, and effluent limitation regulations as these rules are finalized?

**IT IS THEREFORE ORDERED:**

MidAmerican Energy Company shall provide the information identified in the body of this order within 15 days of the date of this order.

**UTILITIES BOARD**

/s/ Elizabeth S. Jacobs

/s/ Nick Wagner

ATTEST:

/s/ Joan Conrad  
Executive Secretary

/s/ Sheila K. Tipton

Dated at Des Moines, Iowa, this 3<sup>rd</sup> day of December 2014.