

STATE OF IOWA
BEFORE THE IOWA UTILITIES BOARD

IN RE:	:	
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MIDAMERICAN ENERGY COMPANY	:	Docket No. EEP-2012-0002
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APPLICATION FOR APPROVAL OF FIVE-YEAR ENERGY EFFICIENCY PLAN

COMES NOW MidAmerican Energy Company (MidAmerican) and pursuant to the Iowa Utilities Board’s (Board) Order in Docket No. EEP-08-2, issued March 9, 2009, Section 476.6(16) of the Code of Iowa (2011), and 199 Iowa Administrative Code Chapter 35, files this Application For Approval of its Energy Efficiency Plan (Plan) and in support of its Plan states:

I. BACKGROUND

1. The Company. MidAmerican is a rate-regulated public utility as defined in Iowa Code section 476.1, and is therefore subject to the Board’s jurisdiction. MidAmerican is filing its Application for Approval of its Plan pursuant to Iowa Code 476.6, subsection (16) and 199 IAC 35. Iowa Code 476.6, subsection (16) requires electric and gas public utilities to offer energy efficiency programs to their customers through a five-year energy efficiency plan. MidAmerican’s Plan was designed to comply with these statutory mandates.

2. Current Plan. The Board approved MidAmerican’s current energy efficiency plan on March 9, 2009, in Docket No. EEP-08-2. While MidAmerican’s existing Plan did not achieve all the planned savings, over all, the current Plan was successful. Through the first three years of the plan (2009 through 2011), MidAmerican invested more than \$264 million in

programs to install energy efficiency measures in customers' homes, buildings and factories. MidAmerican worked with its customers to install more than 3.6 million energy efficiency measures. During 2009-2011, these measures provided cumulative energy savings of over 656 million kilowatt-hours and over 13 million therms, as well as cumulative electric peak demand savings of over 368 MW. In 2009 alone, the programs created first-year energy savings that represent approximately 1.22 percent of MidAmerican's annual electric sales and 0.67 percent of MidAmerican's annual natural gas sales in Iowa.

3. Collaboration with Other Utilities and Participants. MidAmerican jointly conducted an Assessment of Energy and Capacity Savings Potential (Assessment) with other investor-owned utilities (IOUs), Interstate Power and Light Company (IPL) and Black Hills Energy (Black Hills) from January of 2011 to February of 2012. The Iowa Utility Association (~~IUA~~) served as coordinator among the IOUs and the consultants hired to complete the Assessment. The Office of Consumer Advocate (OCA) also was consulted at strategic times during the Assessment. A copy of the Joint Assessment Report is included in Volume III of the Plan.

4. In developing its current Plan, MidAmerican offered interested parties and other utilities the opportunity to participate through the two Company-specific collaborative meetings. Additionally, MidAmerican offered a more specific presentation to the Iowa Industrial Energy Group to solicit participation and interest in its energy efficiency planning process. During the events, parties were allowed to offer suggestions for programs and review and comment on MidAmerican's Plan development.

II. PLAN OVERVIEW

5. Proposed Plan. MidAmerican's Plan includes a comprehensive set of 16

programs designed to help customers manage energy use, reduce costs, protect the environment and increase business competitiveness. These programs represent a significant expansion of activity, funding and projected energy savings compared to the current Plan. The portfolio is designed to meet the varied needs of different customers, including:

- Electric and natural gas customers
- Residential, commercial, industrial, agricultural and governmental customers
- Large and small customers
- Homeowners, commercial building owners, and tenants
- Customers in existing and new buildings
- Customers buying individual pieces of equipment and customers pursuing more comprehensive energy efficiency solutions

A copy of the Plan and its program descriptions is contained in Volume II – Plan Description. Specifically, the Plan Description outlines the proposed programs to be implemented, including implementation techniques, the number of eligible participants and proposed participation per year and the estimated annual peak demand and energy savings the programs will generate. The proposed Plan includes a budget for Assessments, which covers the remittances that MidAmerican collects from customers to fund the Iowa Energy Center, the Center for Global and Regional Environmental Research and Board direct assessments.

6. MidAmerican’s proposed Plan is designed to help customers install more than 9.3 million energy efficiency measures between 2014 and 2018. MidAmerican projects by 2018 that these measures will provide cumulative savings of 1.1 billion kilowatt-hours and 22 million therms. By 2018, the proposed Plan is projected to reduce MidAmerican’s electric peak demand by 504 MW. Finally, by year-end 2018, MidAmerican’s Plan is designed to have invested

almost \$512 million in energy efficiency programs with a total net economic benefit of \$832 million to MidAmerican and its customers.

7. Programs and Measures Additions or Eliminations. MidAmerican is proposing two new programs, Residential HVAC Tune-up, and Upstream Retail Lighting. These programs are designed to serve new markets, provide additional services to markets already being served, and focus on new technologies. MidAmerican is also adding new residential measures to its Residential Equipment program - ENERGY STAR® doors and vinyl siding with insulating foam backing. New non-residential measures added to the Nonresidential Equipment program are electronically commutated motors for display cases, walk-in freezers and broilers. Finally, MidAmerican is eliminating Efficiency Bid, Home Performance with ENERGY STAR® and Third-Party. These two programs and pilot were excluded because customers demonstrated a lack of interest, the program had low cost-effectiveness or elimination of the program streamlined operations of the Plan as a whole.

8. Required Board Findings. The Board has outlined energy efficiency plan requirements in 199 IAC Chapter 35. The Board rules implement Iowa Code which requires the filing of utilities' energy efficiency plans. MidAmerican has provided specific information pursuant to the Board's rules and outlined the information in the Cross-Index, filed with the Plan. The Cross-Index contains a listing of the company witnesses who address specific Board requirements.

9. Along with the Plan program descriptions, MidAmerican is providing supporting testimony and exhibits in Volume I, which address the Board requirements set forth in 199 IAC Chapter 35. The following individuals present testimony in support of the Plan and Board rules:

- MidAmerican witness Tina M. Yoder provides filing background, program summaries and addresses policy issues.
- MidAmerican witness Charles B. Rea supports the methodology used to develop the Plan, the Assessment of Energy and Capacity Savings Potential in Iowa, the evaluation plan to be used to measure program results, the specific calculations and modeling performed to establish goals for program participation, goals for energy and capacity savings and the cost-effectiveness analyses performed on the programs.
- MidAmerican witness Martha H. Bakeris provides load research and supports specific class load data for MidAmerican's system.
- MidAmerican witness Jennifer L. Long supports the specific inputs of the electric transmission and distribution avoided costs that are a part of MidAmerican's avoided electric capacity and energy costs.
- MidAmerican witness O. Dale Stevens supports MidAmerican's Avoided Electric Capacity and Energy Costs, and provides the forecast of electric need and electric generation avoided costs in his testimony.
- MidAmerican witness Brian J. Wiese addresses the forecast of natural gas needs and natural gas avoided costs in his testimony.
- Finally, MidAmerican witness Diane L. Votino provides the MidAmerican customer bill and rate impacts.

III. CONCLUSION

10. Conclusion. MidAmerican has demonstrated that its proposed base Plan meets the requirements set forth in the Iowa Code and Board rules.

WHEREFORE, MidAmerican respectfully requests the Board approve MidAmerican's Energy Efficiency Plan for the program years 2014-2018.

DATED this 1st day of February, 2013.

Respectfully submitted,

MIDAMERICAN ENERGY COMPANY

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