

**Wind IX Update
September 1, 2015**

A. Background

This is MidAmerican Energy Company's ("MidAmerican") status update for the Iowa Utilities Board ("Board") in response to the Board's January 20, 2015 *Order Approving Settlement with Modifications*, and the Board's June 25, 2015 *Order Granting Modification* (changing filing dates to March 1 and September 1 of each year), both issued in Docket No. RPU-2014-0002. This document is offered in fulfillment of the requirements established in the said Board orders.

B. Status for Wind IX Iowa Project (Docket No. RPU-2014-0002)

The Wind IX facilities will be installed at two sites: the 7 MW Highland II site, in O'Brien County, which will include three turbines, and the 154.3-MW Adams site, in Adams County, which will include 64 turbines. Through June 30, 2015, expenditures on Wind IX totaled \$52.9 million. The currently estimated project cost is \$230.9 million, or \$1,431/kW. The three largest components of the \$230.9 million total are: (i) \$ [REDACTED] million spent or committed for the purchase of the wind turbines, (ii) the balance of plant services are estimated at approximately \$ [REDACTED] million, and (iii) site acquisition costs are estimated at \$ [REDACTED] million. (An unredacted copy of this page has been provided pursuant to a Request for Confidential Treatment.) The remaining project costs are estimated at \$22.9 million, approximately 10% of the total estimated cost, for general project expenses such as substation and interconnection costs, studies, landowner construction payments, AFUDC, etc. The estimated project cost of \$1,431/kW compares favorably to the cost cap of \$1,500/kW. The project is expected to be in-service by December 31, 2015.

Actual Operating and Capital Costs of Wind IX

There have been no actual operating costs to date. Capital costs are covered in the paragraph immediately above.

Amount of Customer Rate Relief Flowed Through the EAC or Returned to Ratepayers in Some Other Manner.

None to date.

Retail Fuel Cost Reduction Attributable to Wind IX.

None to date.

Income from PTCs, REC Sales, Capacity Sales, and Net System Benefits Attributed to Wind IX.

None to date.

C. Transmission Studies and Off-site transmission

Please see the transmission related discussion under the project updates below.

As stated above, the Wind IX facilities will be installed at two sites: the 7 MW Highland II site in O'Brien County and the 154.3 MW Adams site in Adams County.

7 MW Highland II Site

The Highland II site is a wind farm acquired from Highland Wind Energy LLC, that will interconnect to the 345 kV system at a new substation in O'Brien County. This wind farm site received an executed Conditional Generator Interconnection Agreement (GIA) dated July 22, 2014. No added transmission studies were required beyond what was completed for the Wind VIII Highland site, a summary of which is covered in MidAmerican's September 1, 2015 Wind VIII update.

Operation of the site is guided by the Conditional GIA. Until all identified upgrades and contingent facilities are completed, the site will be limited on a quarterly basis to a 475 MW injection limit and subject to the Annual ERIS Evaluation and the Quarterly Operating Limit (QOL) studies which may limit the injection further. As reported in previous updates, in response to input from stakeholders, including MidAmerican, MISO reviewed its QOL review process. MISO's revised process reduces, but does not eliminate, the possibility of any future limitations at the site while the site is part of the QOL review.

154.3 MW Adams Site

The Adams site, located in Adams County, is a wind farm acquired from Adams Wind Energy LLC, that interconnects to the 161 kV system at a new substation in Adams County. This wind farm site has an executed Provisional Generator Interconnection Agreement (GIA) dated March 23, 2015. The site continues to be studied in the MISO AUG-2014-DPP group, and the DPP study is expected to be completed by the end of 2015.

Operation of the site is guided by the Provisional GIA. Until all identified upgrades and contingent facilities are completed, the site may be subject to injection limits on an annual basis through the MISO Annual ERIS Evaluation or on a quarterly basis through the Quarterly Operating Limit (QOL) studies. As noted above, in response to input from stakeholders, including MidAmerican,

MISO reviewed its QOL review process. MISO's revised process reduces, but does not eliminate, the possibility of any future limitations at the site while the site is part of the QOL review.

Next Report

MidAmerican's next update is due March 1, 2016.