Functional Cost of Service Results
Test Year Ending December 31, 2013
Utility: MidAmerican Energy Company
Docket No. EL14-XXX

Individual Responsible: Charles Rea

Functional Results

Line	Description	South Dakota Jurisdictional Test Year	Generation	Transmission	Substations	Wires	Transformers	Services	Meters	Lighting
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
1	Total Operating Revenues	$ 14,951,330	$ 11,661,631	$ 1,165,180	$ 453,211	$ 1,026,549	$ 110,563	$ 176,375	$ 63,542	$ 87,340
	Total Operating Expenses									
2	O&M Expense	$ 8,970,553	$ 7,752,383	$ 596,881	$ 48,285	$ 309,192	$ 702	$ 17,883	$ 30,404	$ 18,011
3	Income Taxes	$ (1,837,335)	$ (2,181,648)	$ 114,524	$ 62,536	$ 109,854	$ 17,078	$ 24,490	$ 4,908	$ 10,669
4	Other Expense	$ 3,796,375	$ 2,885,722	$ 182,436	$ 193,970	$ 346,778	$ 52,287	$ 75,928	$ 16,590	$ 33,361
5		$ 10,929,593	$ 8,456,457	$ 893,841	$ 304,790	$ 765,824	$ 70,067	$ 118,302	$ 51,902	$ 62,041
6	**Net Operating Income**	**$ 4,021,737**	**$ 3,205,174**	**$ 271,339**	**$ 148,420**	**$ 260,725**	**$ 40,496**	**$ 58,074**	**$ 11,639**	**$ 25,299**
7	Total Rate Base	$ 66,585,932	$ 53,066,499	$ 4,492,428	$ 2,457,324	$ 4,316,691	$ 670,481	$ 961,496	$ 192,708	$ 418,863
8	**Return on Rate Base**	**6.040%**	**6.040%**	**6.040%**	**6.040%**	**6.040%**	**6.040%**	**6.040%**	**6.040%**	**6.040%**
	Retail Revenue Requirements									
9	Total Expenses	$ 10,929,593	$ 8,456,457	$ 893,841	$ 304,790	$ 765,824	$ 70,067	$ 118,302	$ 51,902	$ 62,041
10	Net Operating Income	$ 4,021,737	$ 3,205,174	$ 271,339	$ 148,420	$ 260,725	$ 40,496	$ 58,074	$ 11,639	$ 25,299
11	Other Operating Revenues	$ (3,495,692)	$ (3,049,365)	$ (440,837)	$ (981)	$ (1,724)	$ (267)	$ (383)	$ (77)	$ (167)
12	**Total Retail Revenue Requirement**	**$ 11,455,637**	**$ 8,612,266**	**$ 724,343**	**$ 452,230**	**$ 1,024,826**	**$ 110,296**	**$ 175,993**	**$ 63,465**	**$ 87,173**
13	**Desired Return on Rate Base**	**7.596%**	7.596%	7.596%	7.596%	7.596%	7.596%	7.596%	7.596%	7.596%
14	Total Desired Operating Income	$ 5,057,867	$ 4,030,931	$ 341,245	$ 186,658	$ 327,896	$ 50,930	$ 73,035	$ 14,638	$ 31,817
15	**Desired Total Revenue Requirement**	**$ 13,049,684**	**$ 9,882,662**	**$ 831,890**	**$ 511,057**	**$ 1,128,166**	**$ 126,347**	**$ 199,011**	**$ 68,079**	**$ 97,200**
16	**Percentage of Total**	**1.0000**	**0.7573**	**0.0637**	**0.0392**	**0.0865**	**0.0097**	**0.0153**	**0.0052**	**0.0074**
17	**Uncollectibles + Gross Receipts**	**$ 7,000**	$ 5,579	$ 472	$ 258	$ 454	$ 70	$ 101	$ 20	$ 44
18	**Total Desired Revenue**	**$ 13,056,684**	**$ 9,888,240**	**$ 832,362**	**$ 511,316**	**$ 1,128,620**	**$ 126,418**	**$ 199,112**	**$ 68,099**	**$ 97,245**
19	**Revenue Excess/(Deficiency)**	**$ (1,601,047)**	**$ (1,275,975)**	**$ (108,020)**	**$ (59,086)**	**$ (103,794)**	**$ (16,122)**	**$ (23,119)**	**$ (4,634)**	**$ (10,071)**
20	Federal Tax Rate	35.00%								

Note 1: Line 16 represents the percentage of total revenue requirements by function and is calclated by dividing the amounts from Coumns (c) through (k) by Column (b).

Note 2: Uncollectible Expense is taken from Exhibit RRT 1.1, Schedule 1, Lines 8 and 10 and allocated to function based on the relative amounts of Line 15 less Line 12 by function.

Destinations:
Line 18 goes to Tab CLS1-2, Lines 1-10, Column (b)

Functional Results

Line	Description		Customer Accounts		Variance	Source
	(a)		(k)			
1	Total Operating Revenues	$	206,939	$	0	Tab FUN-4, Line 195
	Total Operating Expenses					
2	O&M Expense	$	196,812	$	0	Tab FUN-4, Line 156
3	Income Taxes	$	254	$	(0)	Tab FUN-4, Line 211
4	Other Expense	$	9,302	$	0	Tab FUN-4, Line 181
5		$	206,368	$	0	Sum of Lines 2-4
6	**Net Operating Income**	**$**	**570**	**$**	**(0)**	Line 1 - Line 5
7	Total Rate Base	$	9,442	$	(0)	Tab FUN-4, Line 50
8	**Return on Rate Base**		**6.040%**			Line 6 / Line 7
	Retail Revenue Requirements					
9	Total Expenses	$	206,368	$	0	Line 5
10	Net Operating Income	$	570	$	(0)	Line 6
11	Other Operating Revenues	$	(1,892)	$	-	Tab FUN-4, Line 194 multiplied by -1
12	**Total Retail Revenue Requirement**	**$**	**205,046**	**$**	**0**	Sum of Lines 9-11
13	**Desired Return on Rate Base**		7.596%			Exhibit RRT 1.1, Schedule 1, Line 2
14	Total Desired Operating Income	$	717	$	-	Line 7 multiplied by Line 13
15	**Desired Total Revenue Requirement**	**$**	**205,272**	**$**	**-**	Line 12 + ((Line 14 - Line 10) / (1 - Line 21, Column (b)))
16	**Percentage of Total**		**0.0157**			see note 1
17	**Uncollectibles + Gross Receipts**	$	1	$	(0)	see note 2
18	**Total Desired Revenue**	**$**	**205,273**	**$**	**-**	Line 15 + Line 17 + Line 18
19	**Revenue Excess/(Deficiency)**	**$**	**(227)**	**$**	**0**	Line 12 - Line 19
20	Federal Tax Rate					