VanNess Feldman LLP

1050 Thomas Jefferson Street, NW
Seventh Floor
Washington, DC 20007
(202) 298-1800 Phone
(202) 338-2416 Fax

Douglas W. Smith
(202) 298-1902
dws@vnf.com

December 20, 2019

Kimberly D. Bose
Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

Re: ***MidAmerican Central California Transco, LLC,***
Docket No. ER20-_____-000

Dear Ms. Bose:

Pursuant to Section 35.13 of the Federal Energy Regulatory Commission's ("Commission") regulations, 18 C.F.R. § 35.13, MidAmerican Central California Transco, LLC ("MCCT") hereby submits for filing revisions to reflect the 2020 update to the Transmission Revenue Balancing Adjustment ("TRBAA") in Appendix I of its Transmission Owner Tariff ("MCCT Tariff"). MCCT respectfully requests that the Commission accept the 2020 TRBAA for filing effective January 1, 2020, and grant any necessary waivers to allow the TRBAA to become effective on such date.

I. COMMUNICATIONS

MCCT requests that all correspondence and communications with respect to this filing be sent to, and the Secretary include on the official service list, the following:

Steve Rowley
Director, Transmission Business Development
BHE U.S. Transmission, LLC
666 Grand Avenue
Suite 500
Des Moines, IA 50309
(515) 252-6754
SRowley@BHEtransmission.com

Douglas W. Smith
Suzanne Keppeler
Van Ness Feldman, LLP
1050 Thomas Jefferson Street, NW
Washington, DC 20007
(202) 298-1800
dws@vnf.com
skeppeler@vnf.com

II. BACKGROUND

As set forth in Sections 3.89 and 5.4 of the MCCT Tariff, the TRBAA is a ratemaking mechanism that ensures that the California Independent System Operator ("CAISO") Tariff and MCCT Tariff transmission customers receive the benefit of all Transmission Revenue Credits ("TRCs"), *e.g.*, revenues for wheeling service, usage charges and firm transmission right auction revenues, and other credits specified in Sections 6 and 8 of Appendix F, Schedule 3 of the CAISO Tariff. In addition, pursuant to Section 6.1 and 6.1(b), Appendix F, Schedule 3 of the CAISO Tariff, an Approved Project Sponsor, such as MCCT, is required to include any over- or under-recovery of its annual Transmission Revenue Requirement ("TRR") in its Transmission Revenue Balancing Account ("TRBA"). The TRBAA is provided to the CAISO, along with the MCCT Base TRR, to develop appropriate charges under the CAISO Tariff.

The TRBAA is recalculated annually consistent with the CAISO Tariff. Appendix F, Schedule 3, Section 8.1 of the CAISO Tariff provides that the revised TRBAA shall be effective January 1 of each year based on (i) the balance in the Transmission Revenue Balancing Account as of September 30 of the prior year, (ii) a forecast of TRCs for the next year, and (iii) any over or under-recovery of MCCT's annual TRR in its TRBA.

III. DESCRIPTION OF THE TRBAA FILING

MCCT hereby submits for filing revisions to Appendix I of the MCCT Tariff incorporating a TRBAA of $522 to become effective on January 1, 2020. As more fully explained in the attached Prepared Direct Testimony of Heather L. Cushman, Exhibit MCCT-1, the proposed TRBAA is calculated in accordance with Section 5.4 of the MCCT Tariff based on the sum of the balance in the TRBA and the interest balance for the TRBA.

Exhibit MCCT-2 to Heather L. Cushman's testimony shows in detail the calculation of the 2020 TRBAA. The resulting TRBAA amount of $522 is shown on Exhibit No. MCCT-2, page 1, line 15. This amount is reflected in Appendix I of the MCCT Tariff, as a TRBAA of $522 for the twelve-month period effective January 1, 2020.

IV. REQUESTED EFFECTIVE DATE

MCCT requests waiver of the 60-day notice requirement, and any other waivers, as necessary, to allow the TRBAA to become effective January 1, 2020. Granting this waiver is appropriate because the currently effective MCCT Tariff and CAISO Tariff specify that MCCT will update its TRBAA effective January 1, 2020 of each year. Accordingly, waiver is consistent with Commission policy.

V. DOCUMENTS SUBMITTED WITH THIS FILING

In addition to this transmittal letter, the following documents are included:

- Attachment A – Redlined and clean copies of the revised Appendix I of the MCCT Tariff reflecting the calculated TRBAA; and

- Attachment B – Prepared Direct Testimony and supporting exhibits of Heather L. Cushman (Exhibit Nos. MCCT-1 through MCCT-3).

VI. SERVICE

A copy of this filing will be served upon the CAISO.

VII. CONCLUSION

MCCT requests that the Commission accept and approve this revised TRBAA and corresponding changes to Appendix I of the MCCT Tariff to be effective on January 1, 2020.

Respectfully submitted,

/s/ Douglas W. Smith

Douglas W. Smith
Suzanne P. Keppeler
Van Ness Feldman, LLP
1050 Thomas Jefferson St. NW
Seventh Floor
Washington, DC 20007
(202) 298-1800
dws@vnf.com
skeppeler@vnf.com

Counsel for
MidAmerican Central California Transco, LLC

Attachments

ATTACHMENT A

APPENDIX I

Transmission Revenue Requirement and TRBAA

1. The MidAmerican Central California Transco Base Transmission Revenue Requirement shall be determined pursuant to the formula rate in Appendix III of this TO Tariff.

2. The TRBAA is ~~[ ]~~$522 for the twelve month period effective January 1, 20~~1[ ]~~20, as computed in accordance with Section 5.5 of this TO Tariff and the CAISO Tariff.

3. The Transmission Revenue Requirement shall be equal to the sum of the Base Transmission Revenue Requirement and the TRBAA.

4. All of MidAmerican Central California Transco's facilities and Entitlements placed under the CAISO's Operational Control are related to Regional Facilities as defined in the CAISO Tariff.

5. The TRBAA will be recalculated annually consistent with the CAISO Tariff, approved by the FERC, and provided to the ISO.

APPENDIX I

Transmission Revenue Requirement and TRBAA

1. The MidAmerican Central California Transco Base Transmission Revenue Requirement shall be determined pursuant to the formula rate in Appendix III of this TO Tariff.

2. The TRBAA is $522 for the twelve month period effective January 1, 2020, as computed in accordance with Section 5.5 of this TO Tariff and the CAISO Tariff.

3. The Transmission Revenue Requirement shall be equal to the sum of the Base Transmission Revenue Requirement and the TRBAA.

4. All of MidAmerican Central California Transco's facilities and Entitlements placed under the CAISO's Operational Control are related to Regional Facilities as defined in the CAISO Tariff.

5. The TRBAA will be recalculated annually consistent with the CAISO Tariff, approved by the FERC, and provided to the ISO.

ATTACHMENT B

UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

MidAmerican Central California Transco, LLC	**Docket No. ER20-____-000**

DIRECT TESTIMONY OF HEATHER L. CUSHMAN

December 20, 2019

UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

MidAmerican Central California Transco, LLC	**)** **)**	**Docket No. ER20-___-000**

DIRECT TESTIMONY OF HEATHER L. CUSHMAN

Q. **PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

A. My name is Heather L. Cushman, and my business address is 666 Grand Avenue, Des Moines, Iowa, 50309.

Q. BY WHOM AND IN WHAT CAPACITY ARE YOU EMPLOYED?

A. I am employed by BHE U.S. Transmission, LLC as Controller.

Q. PLEASE PROVIDE A BRIEF DESCRIPTION OF YOUR EDUCATION AND PROFESSIONAL EXPERIENCE.

A. I graduated from Iowa State University in 1993 with a Bachelor of Arts degree in Business Administration with a major in Accounting and earned a Master's degree in Business Administration in 2002 from the University of Iowa. In 1995, I became a Certified Public Accountant licensed to practice in Iowa; I am currently a licensed non-active Certified Public Accountant in Colorado.

Upon graduating from Iowa State University, I commenced my professional career in public accounting at Coopers & Lybrand LLC as an Audit Associate and later at Deloitte & Touche, LLC as an Audit Senior. Since 1996, I have held senior accounting management positions in industry, including many as the top financial executive with the

title of Controller. I joined BHE U.S. Transmission, LLC as Controller in November 2013.

In my current position, I am responsible for overseeing the preparation and maintenance of MidAmerican Central California Transco, LLC's ("MCCT") financial records.

Q. HAVE YOU PREVIOUSLY FILED TESTIMONY BEFORE A REGULATORY BODY?

A. Yes. I have previously filed testimony with the Federal Energy Regulatory Commission ("FERC") in support of other MCCT filings in Docket Nos. ER14-1661-000, ER19-1384-000 and ER19-2314-000.

Q. PLEASE EXPLAIN THE PURPOSE OF YOUR TESTIMONY.

A. The purpose of my testimony is to support the filing being made with the Commission to establish MCCT's TRBAA to become effective January 1, 2020.

Q. WHAT EXHIBITS ARE YOU SPONSORING?

A. In addition to my Prepared Direct Testimony, I am sponsoring the following Exhibits: Exhibit No. MCCT-2 Calculation of MCCT Transmission Revenue Balance Account Adjustment for 2020, and MCCT-3 Projected Over/Under-Collection for the Remainder of 2019.

Q. PLEASE DESCRIBE MCCT.

A. MidAmerican Central California Transco, LLC is a wholly-owned indirect subsidiary of BHE U.S. Transmission, LLC organized under the laws of the state of Delaware. MCCT was formed to construct, finance, own, operate and maintain new high-voltage electric transmission facilities, and has a Transmission Owner Tariff ("MCCT Tariff") on file as a

CAISO Approved Project Sponsor ("APS"). The Central Valley Power Connect Project ("CVPC" or "Project") is the first transmission asset that was proposed to be owned by MCCT.

The Project is a 230 kV transmission line approximately 68 miles in length connecting the Gates and Gregg substations in central California. The CVPC was approved through the California Independent System Operator's ("CAISO") transmission planning process, and development responsibility was subsequently assigned to MCCT and Pacific Gas and Electric Company ("PG&E") through the CAISO's Order No. 1000 competitive solicitation process. In March 2017, the CAISO placed the Project in a deferred status and, then in March 2019, CAISO cancelled the Project as a result of changed circumstances.

MCCT manages recovery of costs for this project under the MCCT Tariff. MCCT's Transmission Revenue Requirement is included in CAISO's rates for transmission service.

Q. WHAT IS THE TRBAA?

A. The TRBAA is a ratemaking mechanism, set forth in Section 5.4 of the MCCT Tariff, which ensures that all Transmission Revenue Credits ("TRCs") received by MCCT flow through to transmission customers. In addition, pursuant to Section 6.1 and 6.1(b), Appendix F, Schedule 3 of the CAISO Tariff, an APS, such as MCCT, is required to include any over- or under-recovery of its annual TRR in its Transmission Revenue Balancing Account ("TRBA").

Q. HOW DOES THE TRBAA MECHANISM OPERATE?

A. Under the MCCT Tariff, the TRBAA is to be calculated annually consistent with the CAISO Tariff. Pursuant to Section 8.1 of Schedule 3, Appendix F of the CAISO Tariff, the revised TRBAA is to be effective January 1 of each year based on the balance in the APS' TRBA as of September 30 of the prior year and a forecast of TRCs for the next year. As addressed above, also included in the TRBAA are the amounts for any over- or under-recoveries associated with the APS's TRR for the prior year ending September 30.

Q. HOW IS THE TRBAA ASSESSED TO TRANSMISSION CUSTOMERS?

A. For MCCT, the TRBAA is provided to the CAISO along with MCCT's base TRR for use in developing appropriate charges under the CAISO Tariff.

Calculation of the 2020 TRBAA

Q. WHAT IS MCCT'S PROPOSED TRBAA FOR 2020?

A. MCCT requests a TRBAA of $522 to be effective for the twelve-month period commencing January 1, 2020. MCCT's filing includes a revised Appendix I to the MCCT Tariff reflecting this TRBAA amount. Because all of the costs reflected in MCCT's TRR and TRBAA relate to high voltage facilities, there is no need to allocate the TRBAA or any of its components between high voltage and low voltage access charges.

Q. PLEASE DESCRIBE THE CALCULATION OF THE 2020 TRBAA FOR MCCT TO BE EFFECTIVE JANUARY 1, 2020.

A. The calculation of the 2020 TRBAA for MCCT is based on the sum of the balance in the TRBA as of September 30, 2019 and the interest balance for the TRBA. MCCT commenced collection of revenues from CAISO during 2019. Therefore, MCCT does not have a balance in its TRBA for 2018.

MCCT has calculated its TRBAA based on the over- and under-collections for the applicable months of the 2019 Trade Year, with collections commencing in the trade month of January 2019. As shown on Exhibit No. MCCT-2, page 1, line 15, MCCT's TRBAA for 2020 is $522.

Q. ARE YOU PROPOSING TO INCLUDE IN THE TRBAA CALCULATION AN ADJUSTMENT TO RECOGNIZE KNOWN AND MEASURABLE DIFFERENCES IN COLLECTIONS FOR THE REMAINING TRADE MONTHS OF SEPTEMBER THROUGH DECEMBER 2019?

A. Yes, this adjustment is shown on line 6 of Exhibit No. MCCT-3 titled "Projected Over/Under-Collection for Remainder of 2019." Because MCCT has received collections for two of the months in this period, the amounts shown in this exhibit are actual collection data based on receipts from the CAISO for the September and October trade months, and a projection for the November and December trade months based on the average monthly level of collections during the 2018 to 2019 period. Exhibit No. MCCT-3 shows the detailed calculation for this period of the estimation of collections for those trade months. This is a good faith effort to project the amounts for MCCT.

Q. DOES THIS CONCLUDE YOUR TESTIMONY?

A. Yes.

UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

MidAmerican Central California Transco, LLC	)	**Docket No. ER20-___-000**

State of Iowa)
) ss
County of Polk)

AFFIDAVIT OF HEATHER L. CUSHMAN

Heather L. Cushman, being first duly sworn, on oath says that she is the Heather L. Cushman identified in the foregoing prepared direct testimony; that the answers therein are true to the best of her knowledge and belief; and that if asked the questions appearing herein, her answers would be the same.

Heather L. Cushman

Subscribed and sworn to (or affirmed) before
me this 19th day of December 2019, by Shelley L. Mossberg
proved to me on the basis of satisfactory
evidence to be the person who appeared before me.

Shelley L. Mossberg
Notary Public

NOTARIAL SEAL IOWA
SHELLEY L. MOSSBERG
Commission Number 731412
My Commission Expires
November 23, 2022

My commission expires on: November 23, 2022

MCCT TRBAA Calculation - 2020 TRBAA

Lines				2019 - Actual TAC Revenue												
	Trade month			September	October	November	December	January	February	March	April	May	June	July	August	
	Calendar month			Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Totals
1	In service days - Trade month			30	31	30	31	31	28	31	30	31	30	31	31	365
2	Interest rate	Note 1		0.39%	0.42%	0.41%	0.42%	0.44%	0.40%	0.44%	0.45%	0.46%	0.45%	0.47%	0.47%	
3	Annual Base TRR - 2019		$ 881,085													
4	Actual Collected	Actual		$ -	$ -	$ -	$ -	$ -	$ 63,182	$ 65,329	$ 133,152	$ 67,057	$ 73,822	$ 86,896	$ 90,297	$ 579,734
	Generator Interconnection Process Forfeited Deposit															
5	Allocation	Actual													3,163	3,163
6	Invoice Deviation Interest (Allocation) Distribution	Actual									761	2				
7	Prorated Base TRR	Line 3*Line 1/365						(74,832)	(67,590)	(74,832)	(72,418)	(74,832)	(72,418)	(74,832)	(74,832)	(586,585)
8	Over/(Under) collection	Sum(Lines 4-7)		$ -	$ -	$ -	$ -	$ (74,832)	$ (4,408)	$ (9,503)	$ 61,495	$ (7,773)	$ 1,404	$ 12,064	$ 18,628	$ (3,688)
	TRBA Monthly Balances:															
9	Beginning TRBA balance	Beginning Balance - Previous Year TRBAA		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
10	Wheeling Revenues	Actual														-
11	Cumulative Transmission Revenue Overcollection	Line 8													(3,688)	(3,688)
12	Interest Including Compounding			-	-	-	-	-	-	-	-	-	-	-	-	-
13	TRBA Balance	Sum(Lines 9-12)		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ (3,688)	$ (3,688)
14	Projected Over/Under collection for Remainder of 2019														$ 4,210	
15	TRBAA														$ 522	
	Interest calculation:															
16	Average balance	(L9+L13)/2		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ (1,844)	
17	Interest															
18	Interest Including Compounding	L16*L2		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ (9)	
19	Quarterly Compounding				-			-			-			-		

Note 1: https://www.ferc.gov/enforcement/acct-matts/interest-rates.as

FERC Interest Rates - 18 CFR Section 35.19(a)

Applicable Annual Quarter	Annual Rate	Monthly Rate (Annual % / 365dx # days in month)	Monthly Rate (Annual Rate / 12 Months)
Fourth Quarter 2019	5.42%	Dec .0046 Nov .0045 Oct .0046	0.0045
Third Quarter 2019	5.50%	Sep .0045 Aug .0047 Jul .0047	0.0046
Second Quarter 2019	5.45%	Jun .0045 May .0046 Apr .0045	0.0045
First Quarter 2019	5.18%	Mar .0044 Feb .0040 Jan .0044	0.0043
Fourth Quarter 2018	4.96%	Dec .0042 Nov .0041 Oct .0042	0.0041

18 CFR Section 35.19(a)

Projected Over/Under-Collection for the Remainder of 2019

			2019			2020 TAC revenue	
	Trade month		September	October	November	December	
Lines	Calendar month		Oct	Nov	Dec	Jan	Totals
1	In service days - Trade month		30	31	30	31	122
2	2019 Appendix I	Actual	$ -				
3	Annual Base TRR - 2019	0	$ 881,085				
4	Actual and expected collections	See note 1	$ 81,120	$ 72,657	$ 72,466	$ 72,466	$ 298,709
5	Prorated TRR	Line 3*Line 1/365	(72,418)	(74,832)	(72,418)	(74,832)	(294,500)
6	Expected over/(under) collection	Sum(Lines 4,5)	8,703	(2,175)	48	(2,366)	4,210

Note 1: The amounts shown on this line are actual collection data based on receipts from the CAISO for the September and October trade months, and the average monthly collections during the 2018 to 2019 period for November and December trade months (using the total collections calculated on MCCT-2, page 1, line 2, pro-rated on a monthly basis).