



**Federal Energy Regulatory Commission
July 16, 2009
Open Commission Meeting
Staff Presentation
Items E-2, E-19 and E-26**

"Good morning Chairman and Commissioners.

Today you have before you a package of draft orders in E-2, E-19 and E-26 which address filings submitted by MidAmerican Energy Company and the Midwest Independent Transmission System Operator, Inc. associated with MidAmerican's proposed integration into the Midwest ISO as a transmission-owning member.

Specifically, in E-2, the draft order addresses three filings to facilitate MidAmerican's integration which propose revisions to the Midwest ISO's Tariff to set forth the procedures for a partial-year allocation of Financial Transmission Rights to MidAmerican and its transmission customers; to incorporate MidAmerican's local planning process; and to identify and specify the treatment of MidAmerican's Grandfathered Agreements.

In E-19, the draft order addresses proposed revisions to include MidAmerican in the Midwest ISO's Tariff as a pricing zone.

And finally, in E-26, the draft order addresses proposed revisions to MidAmerican's and its affiliates' market-based rate sales authority to remove certain restrictions on sales within the MidAmerican balancing authority area once that area is integrated into the Midwest ISO markets. The draft order permits MidAmerican and its affiliates to sell capacity, energy and ancillary services at market-based rates throughout the Midwest ISO region, subject to Midwest ISO's Commission-approved market monitoring and market power mitigation.

These draft orders, which recommend acceptance of the filings subject to further compliance, will allow MidAmerican Energy to proceed with its plan to integrate its facilities with the Midwest ISO system on September 1, 2009.

The team is happy to answer any questions you may have."