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Charles R. Montgomery Managing Senior Attorney

October 11, 2011

Joel S. Wiebe, Senior Project Manager Plant Licensing Branch III-2 Division of Operating Reactor Licensing Office of Nuclear Reactor Regulation U.S. Nuclear Regulatory Commission Washington, D.C. 20555-0001

Re: Quad Cities Nuclear Power Station, Units 1 and 2 – Requests for Additional Information Related to MidAmerican Energy Company's Decommissioning Funding Status Report (TAC Nos. ME5524 and ME5525)

Dear Mr. Wiebe:

This letter and the accompanying attachments are offered in response to the two requests for additional information (RAI) sent to MidAmerican Energy Company (MidAmerican) by way your letter of September 13, 2011. Please let me know if more is required than has been submitted below and in the attachments.

RAI #1: In response to this RAI MidAmerican has provided the three (3) attached documents: (i) Attachment 1. The pre-filed testimony of Thomas C. Foster submitted in Docket No. RPU-07-2 before the Iowa Utilities Board. Mr. Foster's testimony was part of MidAmerican's "Application of MidAmerican Energy Company for a Determination of Ratemaking Principles." At pages 11-12 of that pre-filed testimony Mr. Foster addresses MidAmerican's request that it be allowed to reduce its contributions toward nuclear decommissioning costs for Quad Cities Nuclear Power Station (QCNPS). Mr. Foster makes reference (on page 12, lines 1-18) to an analysis performed by NISA Investment Advisors, L.L.C. (NISA), but the analysis was not submitted with the testimony. (ii) Attachment 2. MidAmerican has provided the NISA analysis mentioned in Mr. Foster's testimony. Pages 3 and 4 (Contribution Schedule #4 (Extended Contributions) with DECON Method Liability; Avg Escalation Rate of 4.39% and Approx After Tax Return of 6.18%) of that analysis provide the assumptions that MidAmerican used in suggesting the new level of decommissioning funding for OCNPS ultimately approved in Docket No. RPU-07-2. (iii) Attachment 3. The Iowa Utilities Board Order Approving Stipulation and Agreement which approves the new level of funding at page 14 thereof. Attachments 1-3 demonstrate that the current level of funding approved by the Iowa Utilities Board is based upon an assumption of an approximate after-tax return equal to 6.18%, an average escalation rate of 4.39%, the DECON method of decommissioning, and extended contributions. See page 11 of the NISA analysis for the extended contributions assumptions.



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RAI #2: MidAmerican herewith provides a more current table (supplementing the table submitted at Section 2, on page 2, of MidAmerican's March 30, 2011 Decommissioning Funding Status Report) which provides the fair market value that is the net value after accounting for taxes due and payable as of December 31, 2010. Please see the table below.

| | External Trust Fund |
|--------|-----------------------------|
| | Balance (Fair Market value) |
| Unit 1 | \$147,159,699. |
| Unit 2 | \$147,256,175. |
| Totals | \$294,415,874. |

Again, please let me know if you require additional information. My contact information is provided above.

Sincerely,