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November 15, 1999

U.S. Nuclear Regulatory Commission  
Attention: Document Control Desk  
Washington, D.C. 20555-0001

Quad Cities Nuclear Power Station Units, 1 and 2  
Facility Operating License Nos. DPR-29 and DPR-30  
NRC Docket Nos. 50-254 and 50-265

Subject: Proposed Indirect Transfer of Control Involving Facility Operating  
License Nos. DPR-29 and DPR-30, Pursuant to 10 C.F.R. 50.80

Ladies and Gentlemen:

Pursuant to Section 184 of the Atomic Energy Act, as amended, 10 C.F.R. § 50.80 and NRC administrative letter 96-02, MidAmerican Energy Company (hereafter "MidAmerican Energy"), a non-operating twenty-five percent (25%) owner of the Quad Cities Nuclear Power Station, Units 1 and 2 ("Quad Cities"), supported by Commonwealth Edison Company ("ComEd"), the licensed operator and remaining seventy-five (75%) owner of Quad Cities, requests the consent of the Nuclear Regulatory Commission ("NRC") for the indirect transfer of control of all of MidAmerican Energy's possessory interests in the Quad Cities licenses that will occur as a result of a Shareholder Transaction ("Transaction") briefly summarized as follows, and in more detail in the enclosed Application. The Transaction involves taking private the ownership of MidAmerican Energy's parent company, MidAmerican Energy Holdings Company ("MEHC") by a small group of investors ("the Investor Group"). As described in the attached Application, the Investor Group consists of Berkshire Hathaway, Inc., and/or subsidiaries thereof; David L. Sokol, the Chairman and Chief Executive Officer of MEHC; and Walter Scott, MEHC's largest individual shareholder and/or certain Scott family interests; and potentially other members of MEHC's management.

By letters dated November 2, 1999, ComEd as well as the undersigned, transmitted to the NRC letters formally notifying the NRC of the Transaction. The above letters point out that inasmuch as the Transaction involves de minimis NRC changes, such Transaction does not trigger the threshold requiring that a formal 10 C.F.R. § 50.80 application be filed. Because time is of the essence in this Transaction, alternatively, a completed 50.80 application is attached hereto and contemporaneous review of this application is requested, if the NRC believes that the filing of such application is, or may be, required.

By the attached Application, MidAmerican Energy, with the support of ComEd, is requesting the consent of the NRC, pursuant to 10 C.F.R. § 50.80, for the indirect transfer of all of MidAmerican Energy's non-operating ownership interest in the Quad Cities licenses to MidAmerican Energy, as a wholly-owned subsidiary of MEHC, as a privately-held corporation. As described in the Application, MidAmerican Energy, an "electric utility", in accordance with 10 C.F.R. § 50.2, will remain as the NRC licensee, and no changes will be made to MidAmerican Energy as a result of the Transaction.

NRC review of this application and the issuance of a 10 C.F.R. § 50.80 consent letter by the NRC is requested on an expedited basis, by January 14, 2000. The applicants believe that the NRC should be able to consent expeditiously to the indirect transfer of control occasioned by the Transaction, since as a result of the Transaction, no changes will be made to MidAmerican Energy; the indirect transfer of control, as noted above, will have no adverse affect on the continued technical management and operation of Quad Cities by ComEd; the indirect transfer has no environmental impact, and an antitrust review of the NRC Application is not required.

Service upon the applicant of comments, pleadings and notices, if applicable, should be made upon the following:

Roy P. Lessy, Jr.  
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John A. Rasmussen, Jr.  
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Des Moines, Iowa 50303  
(515) 242-4085 (voice)  
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[jarasmussen@midamerican.com](mailto:jarasmussen@midamerican.com) (e-mail)

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If there are any questions or if any additional information is required, please contact the counsel designated below, Mr. Roy P. Lessy, Jr. at (202) 887-4500, or Mr. Joe Sipek of ComEd at (630-663-3740).

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Roy P. Lessy, Jr.", written in a cursive style.

Roy P. Lessy, Jr.  
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(202) 887-4500  
Counsel for MidAmerican Energy Company

UNITED STATES OF AMERICA  
NUCLEAR REGULATORY COMMISSION

Commonwealth Edison Company	)	Docket Nos. 50-254 and 50-265
and	)	Facility Operating License Nos.
MidAmerican Energy Company	)	DPR-29 and DPR-30
	)	Quad Cities Nuclear Power Station, Units 1 and 2

APPLICATION  
of  
MIDAMERICAN ENERGY COMPANY  
for  
INDIRECT TRANSFER OF CONTROL

I. INTRODUCTION AND BACKGROUND

Commonwealth Edison Company (“ComEd”) and MidAmerican Energy Company (“MidAmerican Energy”) are the holders of Facility Operating License Nos. DPR-29 and DPR-30 (the Licenses) for Quad Cities Nuclear Power Station, Units 1 and 2 (Quad Cities). MidAmerican Energy holds a twenty-five percent (25%) ownership interest in Quad Cities. ComEd owns the remaining seventy-five percent (75%) share of Quad Cities and is the licensed operator of the facility. MidAmerican Energy, is an “electric utility” as defined in 10 C.F.R. § 50.2, engaged in the generation, transmission, and distribution of electric energy for wholesale and retail to approximately 653,000 customers in Iowa, Illinois, and South Dakota, and retail natural gas service to approximately 622,000 customers in Iowa, Illinois, Nebraska and South Dakota. MidAmerican Energy is subject to the jurisdiction of the Federal Energy Regulatory Commission, the Iowa Utilities Board, the Illinois Commerce Commission, the South

Dakota Public Utilities Commission and various Nebraska municipalities. There will be no changes to MidAmerican Energy as a result of the shareholder transaction described below. MidAmerican Energy Holdings Company (“MEHC” or “MidAmerican Holdings”), an Iowa corporation is an exempt public utility holding company under section 3(a)(1) of the Public Utility Holding Company Act of 1935 (“the 1935 Act”). MEHC holds all the common stock of MidAmerican Energy (as well as stock in other MEHC subsidiaries). By an immediately effective Order dated December 22, 1998, the NRC approved the proposed merger involving CalEnergy Company, Inc. and MEHC. On March 12, 1999, that transaction was consummated and CalEnergy reincorporated in Iowa, changing its name to “MidAmerican Energy Holdings Company.” By this Application, MidAmerican Energy, with the support of ComEd, requests the consent of the Nuclear Regulatory Commission (NRC), pursuant to 10 C.F.R. § 50.80, for an indirect transfer of control at the holding company level above MidAmerican Energy, whereby all of the stock of MEHC, the parent of MidAmerican Energy, which had heretofore been publicly traded, would be acquired by a small group of private investors, consisting of three members, as described in the “Discussion” section immediately below (the “Transaction”).

It is important to note, however, that as a result of this transaction, no changes will be made to MidAmerican Energy, the non-operating owner of Quad Cities. MidAmerican Energy will remain an “electric utility” subject to all of the terms, conditions and findings in the NRC’s Order of December 22, 1998, and its existing possessing-only license from the NRC as to Quad Cities. In addition, as a result of the

Transaction, MidAmerican Energy's ultimate parent company, MEHC, will also remain unchanged in operation. The changes to MEHC will be at the shareholder level, as described below.

## II. DISCUSSION

### A. **Detailed Description of the Shareholder Transaction**

The Transaction involves taking private the ownership of MidAmerican Energy's ultimate parent company, MidAmerican Energy Holdings Company by a small group of private investors (the "Investor Group").<sup>1</sup> The Transaction does not involve any consolidation of facilities or otherwise have any impact whatsoever on MidAmerican Energy or its non-operating ownership interest (25%) in Quad Cities Nuclear Power Station, Units 1 and 2, but simply involves replacing MEHC's existing shareholders with the Investor Group.<sup>2</sup> None of the members of the Investor Group are electric utilities nor do any of them have non-de minimus ownership interests in, or control, directly or indirectly, any electric utilities (other than existing ownership interests in MEHC).

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<sup>1</sup> The Investor Group consists of Berkshire Hathaway, Inc., and/or subsidiaries thereof; David L. Sokol, the Chairman and Chief Executive Officer of MidAmerican Holdings; Walter Scott, MEHC's largest individual shareholder, and/or certain Scott family interests; and potentially other members of MidAmerican Holdings' management.

<sup>2</sup>The proposed Transaction is a straightforward "going private" transaction. In the first step, which already has occurred, the Investor Group formed a transitional limited liability company named Teton Formation L.L.C., which in turn formed a wholly-owned corporation named Teton Acquisition Corp., and subscription agreements were signed by the Investor Group providing for the funding of the Transaction. In the second step, after all necessary approvals have been obtained, (i) all existing shareholders of MidAmerican Holdings (other than members of the Investor Group and shareholders who perfect their appraisal rights) will be paid \$35.05 in cash in exchange for each of their shares, (ii) Teton Acquisition Corp. will be merged with and into MidAmerican Holdings, (iii) the securities issued to the Investor Group following funding of Teton Acquisition Corp. will become securities of MidAmerican Holdings, and (iv) Teton Formation L.L.C. will be liquidated, leaving the members of the Investor Group to own their interests in MidAmerican Holdings directly. Upon the closing of the Transaction, MidAmerican Holdings will be delisted and its shares no longer will be publicly traded.

The Transaction is expected to enhance the long-term performance of MEHC and to enhance its credit rating and access to capital. With respect to MidAmerican Energy, the Transaction will have no material impact on its balance sheet. Two rating agencies have preliminarily indicated that they view the Transaction as credit – positive for MEHC and they expect to reaffirm MidAmerican Energy’s current investment grade debt ratings.

At this point in time, because of the factors discussed below, which will effect the exact amount of Berkshire’s investment, the exact post-transaction ownership percentages of each member of the Investor Group in MEHC securities must, of necessity, be approximated at this time. Berkshire’s investment in voting common stock, however, will be fixed at 9.9% (excluding any conversion of its convertible preferred shares), while Mr. Scott and his family and related entities will hold approximately 88.1% of the voting common stock of MEHC, and Mr. Sokol will hold approximately 2% of the voting common stock of MEHC (with the two latter percentages subject to slight variation in the event of participation by other members of MEHC management). In addition, most of Berkshire’s equity investment will be in convertible preferred stock of MEHC. This preferred stock will generally be non-voting; however, it will carry with it the right, among others, to appoint two directors to the MEHC board. See generally, Schedule 13D provided by letters dated November 2, 1999.<sup>3</sup> In terms of overall equity (common stock plus the convertible preferred stock but excluding options), Berkshire

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<sup>3</sup> See docketed letters and attachment of R.M. Krich (ComEd) and Roy P. Lessy, Jr. (Akin, Gump, et al.) to the NRC (Document Control Desk) dated November 2, 1999. The convertible preferred stock is convertible by Berkshire (i) if conversion would not require registration as a holding company under the 35 Act or (ii) in connection with a sale, merger or similar change at the holding company level.

will hold approximately 81%, Mr. Scott and his family and related entities approximately 18% and Mr. Sokol, together with other members of MEHC management, if any, less than 1% of MEHC after the Transaction.

Following consummation of the Transaction, MEHC will continue to claim an exemption from registration under the 1935 Act as an intrastate holding company under Section 3(a)(1) of the 1935 Act, pursuant to Rule 2. Individual shareholders do not fit within the definition of “company” under the 1935 Act and the Securities and Exchange Commission (“SEC”) has not attempted to regulate individuals as holding companies in the past. Thus, Messrs. Sokol and Scott should not be treated as holding companies regardless of the amount of voting shares they hold. Similarly, existing precedent indicates that family members and personal trusts do not constitute a “company” for purposes of the 1935 Act. Finally, because Berkshire and the corporation controlled by the Scott family will each own less than 10% of the voting securities of MEHC, neither will be a presumptive holding company. Berkshire intends to ask the SEC for comfort that the SEC will not otherwise seek to regulate Berkshire as a holding company as a result of the Transaction.

In addition to this Application, other applications, reviews or proceedings relating to the proposed merger are required by, and are being submitted to the Federal Energy Regulatory Commission (FERC); the United States Department of Justice (DOJ) and the Federal Trade Commission (FTC); the Iowa Utilities Board; and the Illinois Commerce Commission. There are no state utility regulatory reviews in Nebraska or South Dakota.



The information required to be included in an application for transfer of a license pursuant to 10 C.F.R. § 50.80 is provided below. This information demonstrates that this requested consent is consistent with applicable provisions of law, NRC regulations and NRC orders.

**B. Requested Consent**

The Transaction involves activity at the shareholder level of the holding company above MidAmerican Energy, a non-operating owner, and will result in no change in the design or operation of Quad Cities Station. Furthermore, the transaction does not require or contemplate any change in the terms of the technical specifications for Quad Cities Station. However, the transaction may be deemed to affect an indirect change in control of the ownership of MidAmerican Energy's twenty-five percent (25%) non-operating interest in Quad Cities Station. Accordingly, this request is for consent under 10 C.F.R. § 50.80 to reflect the indirect change in control of such non-operating ownership interest.

**III. GENERAL INFORMATION CONCERNING THE LICENSEE**

**A. Name and Address of Current Licensee:**

MidAmerican Energy Company 666 Grand Avenue P.O. Box 657 Des Moines, IA 50303	(a wholly-owned indirect subsidiary of MidAmerican Energy Holdings Company, a publicly held corporation)
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**B. Name and address of Proposed Licensee:**

MidAmerican Energy Company 666 Grand Avenue P.O. Box 657 Des Moines, IA 50303	(a wholly-owned indirect subsidiary of MidAmerican Energy Holdings Company, a privately held corporation)
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**C. Description of Business or Occupation of Proposed Licensee:**

MidAmerican Energy will continue to be an “electric utility” primarily engaged in the generation, transmission, distribution and sale of electricity and gas in Iowa, Illinois, Nebraska (gas only) and South Dakota.

**D. Organization and Management of Licensee:**

The Transaction does not directly involve MidAmerican Energy, which will continue to be a wholly owned indirect subsidiary of MEHC. MidAmerican Energy will continue to be engaged in the business of generating, transmitting, distributing and selling electric energy and distributing, selling and transporting natural gas. MidAmerican Energy provides electric service in Iowa, Illinois and South Dakota, and gas service in Iowa, Illinois, Nebraska and South Dakota. MidAmerican Energy provides retail electric service to approximately 653,000 customers and retail gas service to approximately 622,000 customers. MidAmerican Energy also sells electric energy at wholesale and provides interstate transmission service over its electric transmission facilities.

Once the Transaction is concluded, MidAmerican Energy will continue to be an Iowa corporation headquartered in Des Moines, Iowa. MEHC will continue to claim its exemption from regulation under Section 3(a)(1) of the 1935 Act, pursuant to Rule 2 thereof, as an exempt public utility holding company. MEHC will continue to be incorporated in Iowa and the headquarters of MEHC will continue to be located in Des Moines, Iowa.

The officers of MidAmerican Energy, who are all citizens of the United States, except where indicated by asterisk and can be reached at MidAmerican Energy Company

c/o Paul J. Leighton at 666 Grand Avenue, P.O. Box 657, Des Moines, IA 50303, and their titles are:

David L. Sokol	Chairman
Gregory E. Abel	Chief Executive Officer *
Ronald W. Stepien	President
Jack L. Alexander	Senior Vice President
Patrick J. Goodman	Senior Vice President & Chief Financial Officer
Keith D. Hartje	Senior Vice President
Steven A. McArthur	Senior Vice President *
John A. Rasmussen, Jr.	Senior Vice President & General Counsel
Douglas L. Anderson	Assistant Secretary
James Averweg	Vice President & Asst. Secretary
Dean A. Crist	Vice President
Brent E. Gale	Vice President & Asst. Secretary
David L. Graham	Vice President
Brian K. Hankel	Vice President & Treasurer
James J. Howard	Vice President & Asst. Secretary
Paul J. Leighton	Vice President, Corporate Secretary & Asst. Treasurer
Garry W. Osborn	Vice President
Todd M. Raba	Vice President

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\* Messrs. Abel and McArthur are citizens of Canada.

Mark W. Roberts	Vice President
Thomas B. Specketer	Vice President & Controller
Cathy S. Woollums	Vice President

The directors of MEHC, who are all citizens of the United States, except where indicated by asterisk, can be reached at MidAmerican Energy Holdings Company, c/o Paul J. Leighton, 666 Grand Avenue, Des Moines, Iowa 50303 are:

David L. Sokol	Chairman of the Board and Chief Executive Officer
Edgar D. Aronson	President, EDACO, Inc.
Judith E. Ayres	Principal, The Environmental Group
The Honorable Terry Branstad	Former Governor of Iowa
Stanley J. Bright	Former Chairman, President & CEO, MEHC
Jack W. Eugster	Chairman, President and CEO, Musicland, Inc.
Richard R. Jaros	President (retired), Kiewit Diversified Group, Inc.
David R. Morris	Chairman (retired), Northern Electric, PLC*
Robert L. Peterson	Chairman, President and CEO, IBP, Inc.
Bernard W. Reznicek	Nat'l Director-Utility Marketing, Central States Indemnity Company of Omaha
Walter Scott, Jr.	Chairman Emeritus, Peter Kiewit Sons, Inc.
John R. Shiner	Partner, Morrison & Foerster, L.L.P.

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\* Sir Neville Trotter and Mr. Morris are citizens of the United Kingdom.

Sir Neville Trotter                      Member of Parliament, (retired)\*

David E. Wit                                Chief Executive Officer, Logicat, Inc.

The senior officers of MEHC, who are all citizens of the United States, except where indicated by asterisk, and can be reach at MidAmerican Energy Holdings Company, c/o Paul J. Leighton, 666 Grand Avenue, Des Moines, Iowa are:

David L. Sokol                      Chairman of the Board and Chief Executive Officer

Gregory E. Abel                      President and Chief Operating Officer \*

Patrick J. Goodman                  Chief Financial Officer

Steven A. McArthur                  Senior Vice President, Mergers and Acquisitions and Secretary \*

John A. Rasmussen, Jr.              Senior Vice President and General Counsel

Keith D. Hartje                      Senior Vice President and Chief Administrative Officer

Douglas L. Anderson                Vice President and Assistant General Counsel

Stefan A. Bird                      Vice President, Project Development

Robert S. Beck                      Director, Year 2000 Worldwide Project

James A. Flores                      Vice President, Project Finance

Adrian M. Foley, III                Vice President, Marketing

Brian K. Hankel                      Vice President and Treasurer

Paul J. Leighton                      Vice President Corporate Law, Assistant General Counsel and  
Assistant Corporate Secretary

Joseph M. Lillo                      Controller

Jonathan M. Weisgall                Vice President, Federal Regulation/IPP

Cathy S. Woollums      Vice President, Enviromental

As described in Section II.(A) above, “Detailed Description of the Shareholder Transaction,” as a result of the participation of the investor group, there will be no changes to MidAmerican Energy, the non-operating NRC licensee. Also, there will be no operational changes to MEHC, the holding company. It is, however, anticipated that there will be some changes to the Board of Directors of MEHC. In connection with the above description, Mr. Sokol, the Board Chairman, will be a member of the MEHC Board and in addition to himself, will have the right to appoint two other directors to the MEHC Board. Mr. Walter Scott, in addition to himself who will remain on the Board, by virtue of his share ownership, will be able to appoint four directors representing his ownership interest. Berkshire Hathaway, either directly or through a wholly owned domestic subsidiary, will be able to appoint two directors to the Board of MEHC. Although no appointments have been made, it is currently anticipated that of the ten board seats of MEHC, approximately four will go to incumbent board members of MEHC including Messers. Sokol and Scott, existing board members. It is not anticipated after the Transaction that there will be more than one non-U.S. citizen on the ten person Board of MEHC.

#### IV. TECHNICAL ASPECTS

MidAmerican Energy, with the support of ComEd, is requesting authority to reflect an indirect change in control at the holding company level of a minority, non-operating, owner of the facility holding Class 104 Licenses. Therefore, this application

does not request any change in the required design or operation of Quad Cities Station or any change in the terms and conditions of the existing Licenses or technical specifications. Following the Transaction, MidAmerican Energy (as a wholly-owned subsidiary of MEHC) will continue to be the 25% owner and non-operating Licensee of Quad Cities Station. In addition, this Application does not propose any change to either the required organization or personnel responsible for operation of Quad Cities Station. After completion of the Transaction, ComEd will continue as the operator of Quad Cities Station. Consequently, because there will be no change in the required design or operation of the plant or any change in the terms and conditions of the existing Licenses or technical specifications, the significant hazards considerations under 10 C.F.R. § 50.92 are not invoked. The Transaction does not alter the MidAmerican Energy utility structure as a discrete and wholly separate entity that will function in the same fashion as it did prior to the transaction. The utility will continue to make its own decisions with regard to utility planning, operation, financial requirements, purchasing and sales.

#### V. FINANCIAL ASPECTS

MidAmerican Energy (as a wholly-owned indirect subsidiary of MEHC) will continue to be committed under the Ownership Agreement and Operating Agreement to providing, on a pro rata basis in accordance with the respective ownership percentage, all funds necessary for the safe operation, maintenance, repair, decontamination and decommissioning of Quad Cities Station in conformance with NRC regulations, subject to the same obligations, terms and conditions which apply to MidAmerican Energy under its existing NRC Licenses. MidAmerican Energy will remain an “electric utility” as

defined in 10 C.F.R. § 50.2. MidAmerican Energy will continue to be engaged in the generation, transmission and distribution of electricity and will remain subject to the rate regulatory authority of the Federal Energy Regulatory Commission, the Illinois Commerce Commission, the Iowa Utilities Board and the South Dakota Public Utilities Commission. After the Transaction, MidAmerican Energy's financial ability to fund its share of these costs will be equal to, or greater than, that of MidAmerican Energy prior to the Transaction. The total source of funds for MidAmerican Energy's obligations after completion of the Transaction, with respect to Quad Cities Station, therefore, will be the same as is currently the case for MidAmerican Energy. MidAmerican Energy will continue to maintain the required financial resources, in accordance with NRC regulations and its NRC possession-only license, for safe operation and decommissioning of its share of Quad Cities.

As MidAmerican Energy did in connection with its NRC application for approval of the merger involving MidAmerican Energy Holdings Company and CalEnergy Company, Inc., MidAmerican Energy makes the following express commitment to the NRC:

MidAmerican Energy will provide the Director of the Office of Nuclear Reactor Regulation a copy of any application, at the time it is filed, to transfer (excluding grants of security interests or liens) from MidAmerican Energy to its proposed parent or to any other affiliated company, facilities for the production, transmission, or distribution of electric energy having a depreciated book value exceeding ten percent (10%) of MidAmerican Energy's consolidated net utility plant, as recorded on MidAmerican Energy's books of account.



Because all costs associated with operating Quad Cities Station will continue to be borne on a pro rata basis in accordance with the respective ownership percentages of MidAmerican Energy and ComEd and because MidAmerican Energy's ability to fund these costs after the Transaction will be equal to or greater than that of MidAmerican Energy prior to the Transaction, a full financial qualifications review should not be necessary as a result of the approval requested in this Application. Accordingly, the information required under 10 C.F.R. § 50.33(f) regarding the financial qualifications of MidAmerican Energy to carry out the activities described in this Application should not be necessary. However, additional financial information will be provided relative to this matter, if requested by the NRC.

VI. RATE REGULATION

The names and addresses of each regulatory agency which will have jurisdiction over the rates and services of MidAmerican Energy derived from the Quad Cities Station are:

Federal Energy Regulatory Commission  
888 1<sup>st</sup> Street, N.E.  
Washington, D.C. 20426

Iowa Utilities Board  
350 Maple Street  
Des Moines, Iowa 50319-0069

Illinois Commerce Commission  
527 East Capitol Avenue  
Springfield, Illinois 62701

South Dakota Public Utilities Commission  
State Capitol  
Pierre, South Dakota 57501-5070

VII. RESTRICTED DATA

This Application does not contain any restricted data or other classified defense information, and it is not expected that any such information will become involved.

VIII. ANTITRUST CONSIDERATIONS

There are no antitrust conditions attached to MidAmerican Energy's NRC Licenses, nor have antitrust matters been included in the NRC staff's prior findings for MidAmerican Energy's recent corporate transactions. Information for antitrust review purposes is not required as Quad Cities is a "grandfathered" plant, for antitrust review purposes, pursuant to §§104(b) and 105 of the Atomic Energy Act of 1954, as amended. Finally, the Commission on June 18, 1999, in Kansas Gas and Electric Company, et al. (Wolf Creek Generating Station, Unit 1), CLI-99-19, 49 NRC\_\_\_\_, determined that "the Atomic Energy Act does not require or . . . authorize antitrust reviews of post-operating license transfer applications." (Slip op. at 35). Hence, antitrust information is not required to be submitted with this application.

IX. ENVIRONMENTAL CONSIDERATIONS

The requested approval is exempt from environmental review because it falls within the categorical exclusion appearing at 10 C.F.R. § 51.22(c)(21), regarding "direct or indirect transfers of an NRC license" for which neither an Environmental Assessment nor an Environmental Impact Statement is required. The proposed Transaction is

intended solely to reflect shareholder changes at the holding company level above that of an “electric utility” which is a non-operating owner, as described above. The indirect transfer of control will not affect the facilities’ Technical Specifications, license conditions or the organization and practices of ComEd, the licensed operator. Moreover, the indirect transfer of control will not affect the numbers, qualifications, or organizational affiliation of the personnel who operate the facility, as ComEd will continue to be responsible for the operation of the facility.

Accordingly, the probability or consequences of accidents would not be increased by the transfer of ownership, and post-accident radiological releases would not be greater than previously determined. The transfer of ownership also would not affect radiological plant effluents and would not increase occupational radiological exposure. Therefore, the proposed transfer has no environmental impact.

#### X. EFFECTIVE DATE

As discussed above, the Transaction also requires the approval of the FERC, the Iowa Utilities Board, and the Illinois Commerce Commission (the latter is limited to MidAmerican Energy’s gas distribution operations). In addition, it is subject to review by the DOJ and the FTC and the expiration of the applicable waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended. The parties to the Transaction intend that it take place as soon as possible after all required regulatory approvals have been obtained. MidAmerican Energy, with the support of ComEd, is therefore, seeking to obtain all necessary approvals prior to January 31, 2000. It is therefore, requested that the NRC review this application on a schedule that will permit

an immediately effective and final order as promptly as possible and in any event no later than January 14, 2000. MidAmerican Energy and ComEd will keep the NRC informed as to the status of the other necessary regulatory approvals and of any changes in the estimated completion date for consummation of the Transaction.

XI. REQUEST FOR NRC ACTION

For the reasons stated above, it is therefore requested that the NRC consent to the indirect change in control in the ownership of MidAmerican Energy's twenty-five percent (25%) non-operating ownership interest in the Quad Cities Nuclear Power Station, Units 1 and 2, and that the NRC issue its consent as promptly as possible, and by January 14, 2000.

Respectfully submitted,

MIDAMERICAN ENERGY COMPANY

By: Ronald W. Stepien  
Ronald W. Stepien, President

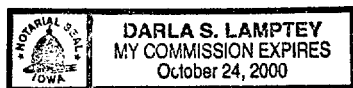
Signed and sworn before me on this this 12<sup>th</sup> day of November, 1999

Darla S. Lamprey  
Name

Notary public for the state of Iowa

My commission expires on October 24, 2000

Seal:



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