

Midwest Energy, Inc. Current Comments

July 2026

Making energy work for YOU

Capital Credit Retirements Switch to 25 Year Payout Extending Payout Cycle Reduces Borrowing Costs, Reducing Rate Pressures

In May 2026, Midwest Energy's Board of Directors approved a proposal to extend the amount of time between when capital credits are earned, and when they are returned to customers, from 20 to 25 years.

Capital credits, which are the margins remaining after all expenses have been paid to customers, were formerly returned to customers on a roughly 20-year cycle, in proportion to a customer's electric or natural gas usage. Going forward, capital credits will be returned on a roughly 25-year cycle, with the change gradually phasing in starting in summer 2026.

"This represents a necessary change, as during that 25-year period capital credits provide the equity capital on our balance sheet, which reduces the amount we must borrow from banks to finance the plant that serves our customers," explained Tom Meis, Midwest Energy's CFO.

"Think of it as equity in your home," Meis said. "If you needed to borrow against your equity to put on a new roof, having a 25-year reserve of equity versus a 20-year reserve would give you much more flexibility in

Applications for MWE Impact Grant Due August 1

Midwest Energy awards five \$5,000 grants annually through the Impact Grant Program. Communities and organizations within Midwest Energy's retail natural gas or electric service area are encouraged to apply by August 1.

The Impact Grant supports projects that are larger than the smaller Community Fund grants awarded twice a year. Impact Grants are awarded for projects of \$10,000 or more. The local match for Impact Grants must be on a one to one basis (\$5,000 must be raised or pledged to receive a \$5,000 grant). Applicants wish-

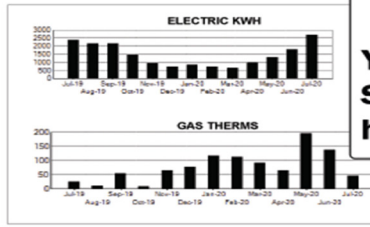
| | | | |
|---|--|---|---|
|  | MIDWEST ENERGY INC PO BOX 898 HAYS KS 67601 800-222-3121 www.mwenergy.com | ACCOUNT NUMBER: 11223456 HOMER J. SIMPSON | BILL DATE: 7/20/2021 DUE DATE: 8/14/2021 |
| ACTIVITY SINCE LAST BILL | | SERVICE ADDRESS: 742 EVERGREEN TERR, HAYS | |
| Previous Balance | \$196.85 | | |
| Payments | \$196.85 | CR | |
| Adjustments | \$0.00 | | |
| Late Charge | \$0.00 | | |
| BALANCE FORWARD | \$0.00 | | |
| CURRENT CHARGES | | | |
| Electric Charges | \$185.49 | | |
| Gas Charges | \$37.97 | | |
| Donation | \$3.00 | | |
| Taxes | \$18.83 | | |
| Total Current Charges | \$245.29 | | |
| AMOUNT DUE | \$245.29 | | |

Midwest Energy Capital Credit Statement

Midwest Energy is your cooperative, you are an owner. You are allocated capital credits based on Midwest Energy's financial margins for the year and the amount of energy you used. The current status of your capital credit account is shown below. Any "current disbursement" amount is included as a credit on this bill.

| | |
|-----------------------|------------|
| Current Earnings | \$124.02 |
| Prior Earnings | \$1,424.89 |
| Current Disbursements | \$0.00 CR |
| Prior Disbursements | \$0.00 CR |
| Ending Balance | \$1,549.41 |

Please keep a copy of this statement in your records for future reference.



Your Capital Credit Statement appears here on your bill.

| | | |
|----------------|-----------------------|-----------------------|
| Budget Billing | Automatic Bank Credit | Midwest Customer Care |
| NO | NO | \$3.00 |

how much you might need to borrow, and under what terms."

"We estimate this change will save the Co-op more than \$26 million over the next decade and the longer rotation period better aligns with the life of the plant we are financing as well as the term of the loans used to finance the construction," Meis added.

During the transition from 20- to 25-year (Continued)

ing to create an endowed fund for a community must have a two to one match (\$10,000 raised or pledged in order to receive a \$5,000 grant).

Additional information describing the project, letters of community support and proof of matching funds are required for grant consideration. To complete the Impact Grant application or find more information about our grant opportunities, visit www.mwenergy.com and click on "Community Fund/Impact Grant" under the "Community" tab. If you have any questions, contact us at 1-800-222-3121.



MIDWEST ENERGY, INC.

30764-1-0293

Capital Credit Retirements (Continued)

payouts, customers will continue to see capital credit statements on their July or August bills, showing the previous year's earnings, current year disbursements and ending capital credits balance. For 2026, Midwest Energy will pay \$4.45 million in capital credits by check to electric customers from 2005, as well as an estimated \$800,000 in estate credits, with payments made by check for amounts over \$20. There were

no gas capital credits in 2005, so gas-only customers from that period will not see checks this year.

Checks will be mailed in July and August.

Meis stressed that each year, the U.S. Post Office returns thousands of checks that are undeliverable, as former customers move away and don't update their mailing address with the Co-op.

"These capital credits are the

property of our customers, and getting your capital credits check is a tangible benefit of Co-op membership," Meis added. He encouraged customers to always notify Midwest Energy whenever they move so future checks can reach them. A list of customers who are owed capital credits, but whose checks were returned by the postal service, is at www.mwenergy.com/residential/capital-credits.

Convenient Ways to Pay Your Midwest Energy Bill

There are several authorized ways you can pay your Midwest Energy bill. There is no fee for use of any method except credit, debit or ATM cards, and digital wallets.

- E-billing:

When you sign up for e-billing, you receive an email on your billing date with a link to your bill.

- Automatic

Bank Draft: Your bill is automatically deducted from the bank account you specify on your due date.

- Online Bill Payment: By logging in to your account at www.mwenergy.com, you can see your current bill and pay it from there using the bank account you specify. If you do not have an online account set up, you can create one.

- U.S. Mail: If you pay by mail, enclose your bill payment stub and a check or money order in the pre-

addressed envelope provided with your bill. Please allow 3-5 days for postal service delivery.

- Customer Service Offices:

You may pay in person at any of our local offices during business hours, or drop your payment (bill payment stub and check or money order) in the drop box at these locations.

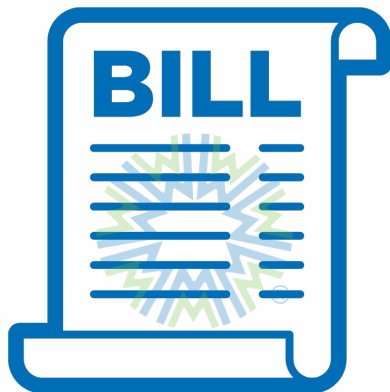
- Credit, Debit and ATM Cards:

Residential customers may use credit, debit and ATM cards at any customer service office, or at www.mwenergy.com using the one-time payment feature. A \$3.95 processing fee is charged by the card processing agent for each transaction.

- Digital Wallets: Customers using EZ Pay one-time payments can now pay using Apple Pay, Google Pay, Venmo and PayPal. These options

incur a \$3.95 processing fee and are only available for one-time payments.

All other payment options not listed above are considered "unauthorized pay agents." Midwest Energy provides no assurance to the timeliness or accuracy of payments made via unauthorized agents. If you have any questions, please call us at 1-800-222-3121.



ENERGY EFFICIENCY TIP OF THE MONTH

Running multiple major appliances at the same time—like your dishwasher, laundry machines and oven—can spike energy demand and strain the electric grid, especially during peak hours (typically late afternoon to early evening). Instead of stacking appliance use, spread it out throughout the day or shift chores to off-peak hours when energy demand is lower. This not only helps improve overall efficiency but can also reduce your energy costs. A simple habit change, like doing laundry in the morning and running the dishwasher overnight, can make a meaningful difference for both your wallet and energy reliability.

Atwood, KS • Colby, KS • Great Bend, KS • Hays, KS

Phillipsburg, KS • Scott City, KS • WaKeeney, KS

1-800-222-3121
www.mwenergy.com



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