
GAS COST OF SERVICE RIDER

APPLICABILITY

The Gas Cost of Service Rider (GCSR) is applicable to all rate schedules for service provided under each of the Company's retail and transportation rate schedules except where not permitted under a separately negotiated contract.

PURPOSE

The purpose of this Rider is to conduct an annual review of natural gas infrastructure investment and expenses in order to adjust rates to reflect the current cost of providing reliable and safe natural gas utility service to the Company's customers.

BASIS OF CHARGE

The Gas Cost of Service (GCS) shall be updated annually for the most recent calendar year consistent with the cost of service and revenue requirement models used in the most recent general rate study as approved by Midwest Energy's Board of Directors. The difference between the GCS in the most recent calendar year and the Base GCS derived in the most recent general rate study shall be the Incremental GCS (IGCS). The IGCS shall not exceed \$900,000 for a calendar year. The IGCS allocated to each rate class shall be calculated by using the class revenue allocation methodology consistent with the that used in the most recent general rate study. The GCS monthly charge for each rate class shall be determined by dividing the IGCS allocated to each rate class by the annual average number of meters in the respective rate class from the most recent calendar year.

MONTHLY CHARGE

The GCS charge shall be a fixed monthly charge and presented as a separate line item on the Customer's bill. The GCS monthly charges are set forth in the Company's Natural Gas Master Tariff.

ANNUAL REVIEW

Each year prior to the effective date of the GCS charge, Midwest Energy's Board of Directors shall review the GCS for the most recent calendar year.



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GENERAL RATE STUDY TIMING REQUIREMENT

After a period of no more than 60 months from the approval date of the most recent general rate study the Company is required to receive approval of a new general rate study or the GCS class monthly charges shall remain at the GCS monthly class charge as effective in the 60th month after the most recently approved general rate study until a new general rate study is approved.

DEFINITIONS AND CONDITIONS

All provisions of this Rider are subject to changes approved by Midwest Energy, Inc. Board of Directors.

Issued By: Pat Parker, Chief Executive Officer

Effective Date: July 1, 2021

Approved or Adopted by Midwest Energy, Inc. Board of Directors: May 17, 2021



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Schedule: GIR
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Issued By: Pat Parker, Chief Executive Officer

Effective Date: July 1, 2021

Approved or Adopted by Midwest Energy, Inc. Board of Directors: May 17, 2021