



MIDAMERICAN ENERGY COMPANY
Gas Sales Tariff
Nebraska Rate Area Number 1
Filed with South Sioux City and Dakota City City Councils

First Revised Sheet No. 42
Cancels Original Issue Sheet No. 42

RATE DESIGNATION: Cost of Purchased Gas Adjustment Clause
CLASS OF SERVICE: All Classes

Purchased Gas Adjustment

The calculation of the purchased gas adjustment per therm shall be according to the following formula:

$$PGA = \frac{(C \times Rc) + (D \times Rd) + (N \times Rn) + (Z \times Rz)}{S} + E - KT$$

PGA is the purchased gas adjustment per therm.

S is the anticipated yearly gas commodity sales volume for each customer classification or grouping.

C is the volume of applicable commodity purchased or transported for each customer classification or grouping required to meet sales, S, plus the expected lost and unaccounted for volumes.

Rc is the weighted average of applicable commodity prices or rates to be in effect September 1 corresponding to purchases C.

D is the total volume of applicable gas or transportation demand purchases required to meet sales, S, for each customer classification or grouping.

Rd is the weighted average of applicable demand rates to be in effect September 1 corresponding to purchases D.

N is the total quantity of applicable annual entitlement to meet sales, S, for each customer classification or grouping.

Rn is the weighted average of applicable entitlement rates to be in effect September 1 corresponding to annual entitlement quantity N.

Z is the total quantity of applicable storage service purchases required to meet sales, S, for each customer classification or grouping.

Rz is the weighted average of applicable storage service rates to be in effect September 1 corresponding to purchased Z.

E is the per unit over- or under-collection adjustment.

K is the base cost of gas as set forth in the gas tariff.

Refunds from Gas Suppliers

All gas divisions shall refund to customers by bill credit or check an amount equal to any refund received from a supplier, plus accrued interest, if the refund exceeds five dollars (\$5) per average residential customer under the applicable PGA clause. The Company may retain undistributed refund amounts in special refund retention accounts for each customer classification under the applicable PGA clause until such time as additional refund obligations or interest cause the average residential customer refund to exceed five dollars (\$5). Any obligations remaining in the retention accounts on September 1 shall become a part of the annual PGA reconciliation.