



IMPORTANT

NATURAL GAS RATE INFORMATION

FOR MIDAMERICAN ENERGY
CUSTOMERS



NATURAL GAS RATE INCREASE AND RATE EQUALIZATION REQUESTED

MidAmerican Energy is asking the Iowa Utilities Board for an increase in natural gas base delivery rates with a proposed effective date for final rates of April 12, 2024. The requested overall increase in annual revenues for all customer classes combined is approximately \$39.4 million, which is 20% of annual gas base rate revenue, or 6% of total annual revenue including the cost of gas. The increase is based on MidAmerican's actual, historical costs and expense data and includes MidAmerican's estimated rate case expense.

In 1995, MidAmerican was formed through a merger of utility companies. As a result, we have two different zones for our Iowa customers and two separate sets of gas rates. MidAmerican took steps to reduce the differences between some of the rates in each zone in its last gas rate case in 2002. As part of this rate case, equalization of Iowa gas rates will also be considered. MidAmerican's proposed final gas rates in this rate case would finalize the equalization process. Any equalization will occur as approved by the Board, and the gas rate code on your bill may change as a result. This rate equalization proposal by itself will not result in any additional increase in revenue for MidAmerican.

The proposed increase in gas rates, as well as the equalization proposal, may be docketed by the Board for investigation, which suspends the effective date of the proposed final rates. As allowed by Iowa law, MidAmerican will implement a temporary gas rate increase of approximately \$31.2 million, which is a 16% increase to base rates, or 5% of total annual revenue including the cost of gas, effective on June 22, 2023. In addition, with the implementation of temporary rates, the factors for two adjustment mechanisms, Rider CIC - Capital Investment Charge and Clause TERM - Tax Expense Revision Mechanism, will be set to zero. The temporary gas rates will remain in effect until the Board completes its review of the proposal and are subject to refund after the Board conducts its investigation. The temporary gas rates will not implement any equalization. In other words, your gas rate code will not change until final rates are in effect.

The exact dollar amount of the increase a customer will see on their gas bill will vary depending on a customer's natural gas usage, rate zone and the final rates approved by the Board.

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PROPOSED NATURAL GAS RATE INCREASE SCHEDULE

Rate Case Filing – June 12, 2023

Temporary Rates Begin – June 22, 2023

Final Base Rate Change, Including Rate Equalization – estimated April 12, 2024

ENERGY EFFICIENCY PROGRAMS

MidAmerican offers a variety of discounts and rebate programs for our customers to save money and energy. Customers can find helpful tips and learn more about the energy efficiency programs offered at [MidAmericanEnergy.com](#).

MANAGE YOUR BILL

Budget Billing: To manage your budget with the convenience of a predictable monthly bill, sign up for our free Budget Billing program.

Online Account: Customers of MidAmerican may also set up an online account to monitor usage and sign up for free services, such as recurring payments and electronic bill notification.

For bill-related questions, please call **800-329-6261** or visit [MidAmericanEnergy.com](#)

UNDERSTAND YOUR RATE

Learn more about all existing and proposed rate schedules at [MidAmericanEnergy.com/rates-tariffs](#). Customers with questions regarding the gas rate increase proposal may contact MidAmerican at **800-329-6261** or [businessadvantage@midamerican.com](#). Written explanations of all current and proposed rate schedules are available upon request and will be sent to you at no cost.

CUSTOMER RIGHTS

You have the right to file a written objection to this proposal and to request a public hearing. Requests can be mailed to: Iowa Utilities Board, 1375 E. Court Ave., Des Moines, IA 50319-0069, or emailed to [customer@iub.iowa.gov](#), or submitted online via the comment form at [efs.iowa.gov](#). The Board should be provided with any facts that would assist in determining the justness and reasonableness of the proposal. This information will be made available to the Office of Consumer Advocate, which represents the public interest in rate cases before the Board.

CUSTOMER COMMENT MEETINGS

The Board encourages customers of MidAmerican to participate in customer comment meetings regarding the requested gas rate increase. The customer comment meetings may be in person or virtual. These meetings are the best opportunity to provide verbal feedback directly to the Board and other parties involved in the rate case. Customer comment meetings currently scheduled across the service territory are shown below.

Details about participating virtually in customer comment meetings will be available on the IUB website at [iub.iowa.gov](#).

Davenport	The River Center, 136 E. Third St. July 31, 2023, 6 p.m.
Cedar Rapids	The Olympic South Side Theater 1202 Third St. S.E., Suite 200 August 1, 2023, 6 p.m.
Des Moines	Holiday Inn Des Moines-Airport Conference Center, 6111 Fleur Dr. July 27, 2023, 6 p.m.
Sioux City	Sioux City Convention Center, 801 Fourth St. July 24, 2023, 6 p.m.
Waterloo	Majestic Moon, 1955 Locke Ave. July 26, 2023, 6 p.m.
Virtual Meetings	August 3, 2023, 11:30 a.m. – 1:30 p.m. Visit iub.iowa.gov

After a thorough investigation of MidAmerican’s proposal, the Board will order final gas rates, which may be different from those proposed, based on the consideration of actual, historical costs and expense data. The increase, including equalization, will become effective on a date set by the Board. If the final gas rates are lower than the temporary rates or the temporary rates are not based upon previously established regulatory principles, the difference will be refunded with interest.

The table on the right shows the impact of the proposed gas rate increases in dollars and percentages for a typical customer on each rate code. Two different amounts and percentages are shown because only some charges on your gas bill are impacted by the rate increase. The impacted charges, known as gas base rates, include current bill items labeled “Basic Service Charge” and “Delivery Charge” and a new line item, “Meter Charge.” Non-base rate bill items, such as “Gas Supply Charge,” “Pipeline Transport Charge” and “Energy Efficiency Charge” are not impacted by the rate increase. The table shows the rate increase both as a percentage of only the gas base rates that are changing and also as a percentage of your total gas bill. The table also shows both gas base rate and overall gas bill impacts for both temporary rates and final rates including equalization.

The highlighted row in the table represents your rate code.

MONTHLY GAS BILL IMPACTS FOR A TYPICAL CUSTOMER										
Rate Code	Gas Usage (therms)	Current Monthly Gas Bill	Temporary Gas Rate Increase	New Monthly Gas Bill with Temporary Rate Increase	Temporary Rate Increase as a % of Gas Base Rates ⁽¹⁾	Temporary Rate Increase as a % of Total Gas Bill	Final Gas Rate Increase	New Monthly Gas Bill with Final Rate Increase	Final Rate Increase as a % of Gas Base Rates	Final Rate Increase as a % of Total Gas Bill
Residential:										
Rate 60	63	\$74.96	\$2.81	\$77.77	14.8%	3.7%	\$4.97	\$79.93	26.2%	6.6%
Rate MVF Residential	3,524	\$3,423.24	\$59.94	\$3,483.18	20.7%	1.8%	\$59.91	\$3,483.15	20.7%	1.8%
Rate SVF Residential	63	\$77.29	\$3.14	\$80.43	14.8%	4.1%	\$2.64	\$79.93	12.4%	3.4%
Nonresidential General Service:										
Rate 70	302	\$317.04	\$6.48	\$323.52	12.6%	2.0%	\$5.83	\$322.87	11.3%	1.8%
Rate 70M ⁽²⁾	1,876	\$1,838.64	\$34.80	\$1,873.44	19.0%	1.9%	\$52.12	\$1,890.76	28.4%	2.8%
Rate 70T ⁽²⁾	50,576	\$46,420.46	\$631.70	\$47,052.16	17.4%	1.4%	\$642.44	\$47,062.90	17.7%	1.4%
Rate SVF Nonresidential	203	\$226.36	\$5.36	\$231.72	11.2%	2.4%	-\$3.05	\$223.30	-6.4%	-1.4%
Rate ST ⁽²⁾⁽³⁾	736	\$822.29	\$25.11	\$847.40	13.8%	3.1%	\$105.06	\$927.35	57.7%	12.8%
Rate STM ⁽²⁾	736	\$761.25	\$17.62	\$778.87	15.9%	2.3%	\$27.17	\$788.42	24.5%	3.6%
Rate MVF Nonresidential	2,805	\$2,708.79	\$48.84	\$2,757.63	20.1%	1.8%	\$50.47	\$2,759.26	20.8%	1.9%
Rate MT ⁽²⁾	15,018	\$14,068.09	\$199.95	\$14,268.04	17.0%	1.4%	\$281.98	\$14,350.07	23.9%	2.0%
Rate MTM ⁽²⁾	3,894	\$3,732.97	\$67.27	\$3,800.24	20.7%	1.8%	\$104.49	\$3,837.46	32.1%	2.8%
Large Service:										
Rate 90 ⁽³⁾	127,008	\$112,834.52	\$471.63	\$113,306.15	9.0%	0.4%	\$733.26	\$113,567.78	14.1%	0.6%
Rate 90T ⁽²⁾	687,942	\$603,069.10	\$3,171.96	\$606,241.06	15.1%	0.5%	\$2,932.45	\$606,001.55	13.9%	0.5%
Rate LGT ⁽²⁾	2,813,258	\$2,428,734.09	\$15,139.96	\$2,443,874.05	19.2%	0.6%	\$12,723.60	\$2,441,457.69	16.1%	0.5%
Rate LT ⁽²⁾	127,008	\$111,471.50	\$862.51	\$112,334.01	21.2%	0.8%	\$3,103.70	\$114,575.20	76.4%	2.8%
Rate LVF	18,788	\$18,790.16	\$295.60	\$19,085.76	22.8%	1.6%	\$295.48	\$19,085.55	22.8%	1.6%
Seasonal Service:										
Rate SGS	3,330	\$2,643.07	\$30.51	\$2,673.58	16.5%	1.2%	\$4.78	\$2,647.84	2.6%	0.2%
Rate 87	1,335	\$1,134.44	\$13.23	\$1,147.67	11.9%	1.2%	\$12.25	\$1,146.69	11.1%	1.1%
Rate 87T or SGT ⁽²⁾	20,132	\$16,076.91	\$177.63	\$16,254.54	19.8%	1.1%	\$51.90	\$16,128.81	5.8%	0.3%
Interruptible Service:										
Rate INT	4,667	\$2,969.84	\$77.58	\$3,047.42	21.2%	2.6%	\$109.93	\$3,079.77	30.1%	3.7%

⁽¹⁾ Temporary base rate increase % reflects the net impact of eliminating Clause TERM and Rider CIC in addition to a 14.4% across-the-board increase to all gas base rates.
⁽²⁾ Transportation rates include gas costs equivalent to MidAmerican's PGA for illustrative purposes.
⁽³⁾ MidAmerican does not currently have any customers on this rate. For purposes of this notice, the average usage has been set to that of a comparable rate.