

# OFFICIAL NOTICE OF RATE CHANGE FOR JULY 1, 2021

This document is an Official Notice that includes specific legal language and information for members about a change in electricity rate tariffs.

On February 25, 2021, the MiEnergy Cooperative Board of Directors approved a change in electric rate tariffs affecting prices for the electric service that you receive. This will apply to your electricity consumption beginning July 1, 2021.

The changes are **not** designed to increase revenue to the cooperative when compared to past energy sales. In past decades, like many electric utilities, the cooperative relied more on recovering the cost to serve the premises through the kilowatt-hour (kWh) energy rate. A shift to energy efficient electric appliances and devices leaves the cooperative recovering less from the kWh energy rate. This year's rate change is part two of a two-part change to adjust rates to recover the majority of the cost to serve a premise through the daily basic service charge. This allows the cooperative to reduce the kWh rate. It is the fairest way to recover cost from members. It provides the cooperative with greater revenue stability. Lowering the kWh rates can also reduce the effects of changing weather patterns on members' bills.

The annual revenue to the cooperative is projected to be a **decrease** of **0.2%** based on historical energy sales. Changes in the rate tariff components such as the daily basic service charge and kWh energy charges, **increased** and **decreased** as part of MiEnergy Cooperative's rate transition for recovering distribution costs. **For rate classes with demand rates, no change has been made to the demand rate. The peak alert rate class did not require any rate changes.** The last rate change for members was July 1, 2020.

The impact of the rate change on your bill will vary depending on your rate class and energy consumption. The new rate tariffs are listed below.

RATE CLASS	CURRENT DAILY BASIC SERVICE	JULY 1 DAILY BASIC SERVICE	CURRENT ENERGY RATE	JULY 1 ENERGY RATE
City (0-49 kVA)	83¢	92¢	11.4¢/kWh	10.7¢/kWh
Suburban (0-49 kVA)	\$1.03	\$1.13	11.4¢/kWh	10.7¢/kWh
Rural (0-49 kVA)	\$1.42	\$1.67	11.4¢/kWh	10.7¢/kWh
General Purpose Small (3-phase<50 kVA)	\$1.53	\$1.70	7.4¢/kWh	No Change
General Purpose (50-100 kVA)	\$1.80	\$2.10	7.4¢/kWh	No Change
Small Commercial (101-300 kVA)	\$3.30	\$3.87	6.7¢/kWh	6.6¢/kWh
Large Commercial (301-1000 kVA)	\$4.33	\$4.67	9.1¢/kWh on-peak summer* 7.1¢/kWh on-peak non-summer* 6.1¢/kWh off-peak	No Change
All Electric	\$1.42	\$1.67	10¢/kWh	No Change
Uncontrolled Electric Heat	28¢	27¢	10.3¢/kWh	No Change
Interruptible Heating & Cooling	28¢	27¢	9.4¢/kWh summer* 7.4¢/kWh non-summer*	9.3¢/kWh summer* 7.3¢/kWh non-summer*
Electric Vehicle/Forklift Chargers	28¢	27¢	19.6¢/kWh on-peak summer* 17.6¢/kWh on-peak non-summer* 5.2¢/kWh off-peak	19.3¢/kWh on-peak summer* 17.3¢/kWh on-peak non-summer* 4.9¢/kWh off-peak

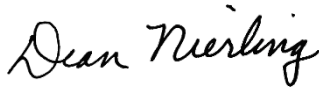
\*Summer is defined as the months of June, July and August. Non-summer is the remaining months.

An explanation of current rate schedules and charges is available without charge from MiEnergy Cooperative's offices in Cresco and Rushford. If you have any questions, please contact our cooperative office.

Sincerely,



Brian Krambeer  
President/CEO



Dean Nierling  
Board Chair