

**SECTION D
RATE SCHEDULES**

D1. GENERAL TERMS AND CONDITIONS OF THE TARIFF

- (1) Controlled service.

All rates are subject to all provisions in Rule C2. of the Rules and Regulations of the Company which are applicable to priority of service hereunder.

- (2) Territory served.

All rates apply in the territory served by the Company, comprising the cities, villages and townships in all Districts in the applicable Rules and Regulations of the Company except where specifically noted.

D2. SUPPLEMENTAL CHARGES

Each Rate Schedule may be subject to supplemental charges under Rule C11, Customer Attachment Program, a Reservation Charge and Energy Waste Reduction (“EWR”) surcharges required by Public Act 295 **as amended**, as detailed below:

Reservation Charge – this charge allows for the recovery of costs related to the assets necessary to provide peak-day coverage and for the utility to serve as the “supplier of last resort” from Gas Customer Choice program customers, as required by the Commission in Case No. U-15929. For GCR purposes, the Reservation Charge is a component of the Base GCR Factor.

Reservation Charge

(As set forth on Sheet No. D-2.00)

ENERGY WASTE REDUCTION Surcharge – this charge permits, pursuant to Section 91(4) of 2008 PA 295, the adjustment of rates, to allow for recovery of the payments made by the Company in compliance with Section 91(1) of 2008 PA 295 **as amended**.

Continued on Sheet No. D-1.01

Continued from Sheet No. D-1.00

**SECTION D
RATE SCHEDULES**

D2. SUPPLEMENTAL CHARGES (contd.)

Customer Class	EWR Surcharge (per Mcf)		Distribution Charge + Gas Supply Acquisition Charge (per Mcf)*	=	Total Distribution Charge (per Mcf)	
RESIDENTIAL SERVICE	\$0.1512	+	\$2.3080	=	\$2.4592	per Mcf
CHOICE RESIDENTIAL GEN SERVICE	\$0.1512	+	\$2.2478	=	\$2.3990	per Mcf
TR - Res	\$0.1512	+	\$2.2478	=	\$2.3990	per Mcf
Customer Class	EWR Surcharge (per meter, daily)		Fixed Customer Charge (daily)	=	Total Customer Charge (daily)	
SMALL GENERAL SERVICE	\$0.1200	+	\$1.1507	=	\$1.2707	per customer
MEDIUM GENERAL SERVICE	\$1.0054	+	\$1.6438	=	\$2.6492	per customer
LARGE GENERAL SERVICE	\$4.8470	+	\$13.9726	=	\$18.8196	per customer
STREET LIGHTS	\$0.1253	+	\$1.1507	=	\$1.2760	per contract
Customer Class	EWR Surcharge (per month)		Fixed Customer Charge (monthly)	=	Total Customer Charge (monthly)	
TRANSPORTATION						
TR-1	\$38.91	+	\$850	=	\$888.91	per meter
TR-2	\$211.34	+	\$2,250	=	\$2,461.34	per meter
TR-3	\$918.93	+	\$3,050	=	\$3,968.93	per meter
TR - GS	\$3.65	+	\$35	=	\$38.65	per meter
TR - GM	\$30.58	+	\$50	=	\$80.58	per meter
TR - GL	147.43	+	\$425	=	\$572.43	per meter
SPECIAL CONTRACTS	\$136.39					per meter

*Gas Supply Acquisition Charge is not applicable to Gas Choice customers or Aggregated Transportation accounts.

Continued on Sheet No. D-1.02

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By Theodore Eidukas
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Milwaukee, Wisconsin

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Case No. U-20882, December 17, 2020,
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Continued from Sheet No. D-1.01

This sheet has been cancelled and is reserved for future use.

Continued on Sheet No. D-1.03

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Continued from Sheet No. D-1.02

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Continued on Sheet No. D-1.04

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Continued from Sheet No. D-1.03

**SECTION D
RATE SCHEDULES**

D2. SUPPLEMENTAL CHARGES (contd.)

**MRP RIDER
MAIN REPLACEMENT PROGRAM RIDER**

1. The MRP Rider is limited to the recovery of the removal and/or replacement of transmission facilities only, specifically those impacted by 49 CFR Part 192 Subpart O or the 2019 Mega Rule.
2. The revenue distribution and the accounting provisions produced from this MRP Rider shall have no precedential value in the company's next rate case.
3. The Company will set up special accounts for the removal and replacement transmission mains affected by 49 CFR Part 192 Subpart O or the 2019 Mega Rule.
4. The Company's proposed recovery is based upon an annual revenue requirement calculation by rate schedule with the main allocation factor of average and peak and the corresponding number of customers as approved by the Commission in the Company's most recent rate case.
5. The Company's calculation is based upon the following:
 - a. Original Cost and Accumulated Reserve for Post 12/31/2022
 1. Used and useful after 1/1/2023
 2. Capital expenditures is limited to new plant under this rider
 3. Adjustments for the retirement of existing assets
 - b. Calculation of post in - service carrying charges on net plant additions and related deferred taxes
 1. Calculated from the date that the applicable assets are used and useful, January 1 of the year following installation.
 2. Based on the Company's embedded interest cost and recorded at the gross rate for recovery on deferred taxes that lessens amount for recovery.
 - c. Calculation of deferred taxes on depreciation

Continued on Sheet No. D-1.05

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Continued from Sheet No. D-1.04

**SECTION D
RATE SCHEDULES**

D2. SUPPLEMENTAL CHARGES (contd.)

**MRP RIDER
MAIN REPLACEMENT PROGRAM RIDER**

- a. Proper annual depreciation expense
- b. Operation and maintenance expense savings resulting from the MRP
- c. Incremental property taxes associated with net plant additions from the MRP
- d. Expenses associated with the cost of meter relocations, removals and all customer owned service lines

Continued on Sheet No. D-1.06

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Continued from Sheet No. D-1.05

**SECTION D
RATE SCHEDULES**

D2. SUPPLEMENTAL CHARGES (contd.)

MRP RIDER

MAIN REPLACEMENT PROGRAM RIDER

APPLICABILITY

Applicable to all customers receiving service under the Company's sales and transportation rate schedules and Special Contract Customers.

MAIN REPLACEMENT PROGRAM (MRP)

This MRP Rider as approved by the MPSC recovers the cost of the MRP not included in MGUC's base rates. These projects included pipeline replacements and related costs. By having this surcharge in place, MCUC recovers over time the costs associated with these replacement projects, which should reduce the frequency of expensive general rate cases in the future.

All customers receiving service under Rate Schedules Residential, Small General Service, Medium General Service, Large General Service, TR-1, TR-2, TR-3 and Special Contract shall be assessed a monthly charge in addition to the Customer Charge component of their applicable rate which will enable the Company to begin and complete the replacement initiative.

The company can bill this surcharge to all of its customers monthly. The program will be reviewed annually, in order to reflect the impact on the Company's annual revenue requirements of net plant additions as offset by the operation and maintenance expense reductions during the most recent twelve months ended December 31 of each calendar year.

This Rider surcharge will become effective with the first billing cycle of January 2023, and reflects the allocation of the required annual revenue increase needed based upon the main allocation factor of average and the number of customers per rate group as defined and approved in the Company's last rate proceeding.

The Rider MRP charge will be implemented on a bill rendered basis beginning in January 2023 and will continue as approved in U-20718 until new rates are established in a future contested case addressing the MRP. Per Customer Meter charges may annually. The charge for the specific Rate Schedule is:

Continued on Sheet No. D-1.07

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Continued from Sheet No. D-1.06

**SECTION D
RATE SCHEDULES**

D2. SUPPLEMENTAL CHARGES (contd.)

MRP RIDER

MAIN REPLACEMENT PROGRAM RIDER

The Rider MRP charge will be implemented on a service rendered basis beginning in January 2023 and will continue as approved in U-20718 until the earlier of either: (i) base rates are established in a future contested case addressing the MRP, or (ii) December 31, 2027. Per Customer Meter charges may change annually. The charge for the specific Rate Schedule is:

Customer Class	Per Customer Meter
Residential	\$0.06/month
Small General Service	\$0.13/month
Medium General Service	\$1.25/month
Large General Service	\$2.36/month
Transportation:	
TR-1	\$3.07/month
TR-2	\$19.49/month
TR-3	\$119.48/month
Aggregated - Residential	\$0.12/month
Aggregated - Small General Service	\$0.47/month
Aggregated - Medium General Service	\$1.48/month
Aggregated - Large General Service	\$2.48/month
Choice – Residential	\$0.06/month
Choice – Small General Service	\$0.15/month
Choice – Medium General Service	\$0.87/month
Choice – Large General Service	\$1.58/month
Special Contract	\$27.44/month

Continued on Sheet No. D-2.00

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Continued from Sheet No. D-1.02

D3. GAS COST RECOVERY FACTORS

The listed monthly Gas Cost Recovery Factors are authorized pursuant to Rule C9, Gas Cost Recovery Clause.

Billing Month	Authorized Base Factor \$/Mcf	Maximum GCR Factor Allowed	Actual Factor Billed \$/Mcf
April 2022	\$4.8435	\$5.0823	\$5.0823
May 2022	\$4.8435	\$6.6578	\$6.6578
June 2022	\$4.8435	\$7.7082	\$7.7082
July 2022	\$4.8435	\$7.7082	\$7.7082
August 2022	\$7.6926	\$7.6926	\$7.6926
September 2022	\$7.6926	\$8.2756	\$8.2756
October 2022	\$7.6926	\$8.5671	\$8.5671
November 2022	\$7.6926	\$7.8869	\$7.8869
December 2022	\$7.6926	\$7.6926	\$7.6926
January 2023	\$7.6926		
February 2023	\$7.6926		
March 2023	\$7.6926		

The Maximum GCR Factor Allowed is based upon changes in the NYMEX and adjusted according to Sheet Nos. D-3.00 or D-4.00.

The Company will file a revised Sheet No. D-2.00 monthly or as necessary to reflect the factor to be billed the following month.

The Company will file by December 31, 2022 for maximum Gas Cost Recovery Factors for April 2023 through March 2024. The Gas Cost Recovery Factor to be charged beginning August 2022 is authorized pursuant to §6(h)(9) of 1982 PA 304, as amended, MCL 460.6h et seq.

In addition to the above Gas Cost Recovery Factors, rates are subject to the supplemental charges shown on Sheet Nos. D-1.00, D-1.01, D-1.02, D-1.03 and D-1.07.

The GCR is composed of the following cost components:

	<u>Authorized Base Factor</u>	<u>Actual Factor Billed</u>
Reservation Charge	\$0.6530 per Mcf	\$0.6530 per Mcf
Gas Commodity Charge	\$7.0396 per Mcf	\$7.0396 per Mcf

Continued on Sheet No. D-3.00

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