

Committed to Iowa's Energy Future – Iowa Natural Gas Rate Adjustment

MidAmerican Energy has filed a request with the Iowa Utilities Commission (IUC) to update the delivery portion of its natural gas rates. This proposal reflects rising costs to maintain and operate the system serving more than 600,000 customers across Iowa.

We remain committed to balancing **affordability** with continued investment in **safe, reliable service**. Low energy rates support future economic growth across Iowa, while dependable natural gas infrastructure is essential during extreme winter weather.

Key points

- ▶ This request applies only to the **delivery portion** of customer bills, not the cost of natural gas itself, which is set by market prices.
- ▶ If approved, the average Iowa residential customer gas bill would increase from \$55.60 to \$58.49 per month, or about \$2.89 per month.
- ▶ A typical small business customer on the small volume service rate would see an estimated 5% rate increase, or an additional \$6.99 per month on their bill.
 - Proposed rate increases for all customer types, including large volume business and bulk transportation, will be listed in a customer notice mailed out early July and are available on MidAmerican's website.
- ▶ MidAmerican is committed to helping customers manage energy costs through energy efficiency programs and rebates.

How do our bills compare?

Even with this increase, MidAmerican's natural gas rates would be lower than other Iowa gas utilities (on average), as you can see from the chart below.



*Average costs do not include state taxes or local franchise fees

†Proposed rate change (pending IUC approval)



MidAmerican proudly serves more than
600,000
natural gas customers in Iowa



We safely and reliably maintain
25,300
miles of gas main and gas service lines in Iowa



We responded to
17,960
potential gas leak calls in 2025



550
gas workers employed across Iowa



2025 American Gas Association Employee Safety Achievement Award

Why a rate adjustment is necessary

Even with disciplined cost management and steady growth, the cost of services and materials is higher today than when current rates were set. This increase supports the critical investments already completed and future work needed to maintain the gas system.

A few example projects that demonstrate our commitment to safety and reliability for Iowa include:

- ▶ Transmission pipeline integrity upgrades (24 miles of pipeline replacement, 2024–2027)
- ▶ Low-pressure main replacement (through 2030)
- ▶ Ongoing support for 100+ community road and infrastructure projects each year
- ▶ Replacing aging infrastructure and modernizing IT systems to improve customer and field communications
- ▶ Employee and community safety and compliance work
- ▶ System improvements to meet peak winter demand

Regulatory process and protections

- ▶ A temporary rate adjustment will begin July 17 during the IUC review.
- ▶ The IUC will conduct a thorough evaluation, including public comment meetings.
- ▶ Final rates would not take effect until late summer 2027, if approved.
- ▶ If final rates are lower, customers will receive refunds with interest.



Sample Monthly Gas Bill

Rate: Small Volume (SV) Service Residential (60 therms)

	CURRENT	PROPOSED
Supply	\$31.95	\$31.95
Gas Supply Charge ¹	\$31.95	\$31.95
Delivery	\$23.65	\$26.54
Basic Service Charge	\$10.00	\$11.00
Meter Class 1 Charge	\$4.50	\$4.50
Delivery Charge	\$8.22	\$10.23
Capital Investment Charge ²	\$0.12	\$0.00
Rate Case Cost Recovery Fee ²	\$0.04	\$0.04
Energy Efficiency Charge ²	\$0.77	\$0.77
Total	\$55.60	\$58.49

Average Monthly Bill Increase: **\$2.89**

GAS BILLS HAVE TWO PARTS

Supply is the cost of the natural gas MidAmerican buys for you. This price is set by the market and passed directly to customers with no markup. The requested rate increase does not affect this part of your bill.

Delivery covers getting gas to your home and maintaining the system. This includes the basic service charge, meter charge, delivery charge and other fees. The requested rate increase applies only to this portion of your bill.

If you have questions or want to learn more, please visit MidAmericanEnergy.com/iowa or call **888-427-5632**.

¹2025 weighted average of Purchased Gas Adjustment Factor

²Current rates as of June 2026