

Interim Refund Plan

MidAmerican Energy Company (“MidAmerican”) submits the following plan for refunding the portion of the interim rate surcharge that exceeds the rate increase authorized by the South Dakota Public Utilities Commission (“SDPUC”) on March 28, 2023. The interim rate period subject to refund commenced on November 15, 2022, when interim rates began, and runs through March 31, 2023.

On May 18, 2022, MidAmerican filed its Notice of Intent to Implement Interim Rates pursuant to SDCL 49-34A-17. On November 15, 2022, MidAmerican implemented an interim increase of \$7,037,084 on an annual basis for service occurring on and after November 15, 2022.

On March 28, 2023, the SDPUC authorized an annualized increase in South Dakota jurisdictional gas revenues of \$4,029,935. In addition, the SDPUC approved certain post-test year capital projects that will be phased-in via the proposed Capital Investment Phase-in Adjustment clause (“Clause CIPA”). The total increase in base rate levels upon completion of the Clause CIPA is a maximum of \$5,946,541. For purposes of calculating the interim refund, MidAmerican proposes to use the initial increase of \$4,029,935. As such, the annualized refund amount relating to revenues collected on an interim basis is \$3,007,149. MidAmerican will use the steps described below to distribute the refund amount to customers.

The approved annual base rate increase (Schedule 1, Page 1 of 3, Line 2) is subtracted from the authorized annual interim base rate increase (Schedule 1, Page 1 of 3, Line 1) to provide the annualized excess interim recovery (Schedule 1, Page 1 of 3, Line 3). The annualized excess interim recovery, \$3,007,149, as a percent of the authorized annual interim base rate increase, \$7,037,084, equals the interim refundable percentage of 42.7329% (Schedule 1, Page 1 of 3, Line 4). This interim refund percentage is applied to the monthly interim revenues collected to provide monthly interim refund amounts (Schedule 1, Page 2 of 3, Column (d)). Please note that Schedule 1, Page 2 of 3, includes estimated interim refund collections for the month of March 2023. Actual interim collections will be used in the calculations when

they are available. The total interim refund amount without interest is estimated at \$1,605,483 (Schedule 1, Page 1 of 3, Line 6).

As part of the refund, MidAmerican will include interest, calculated by applying a 7% annual interest rate to the average refund balance for each month that interim revenues were collected (November 15, 2022, through March 31, 2023). The interest calculation is shown on Schedule 1, Page 3 of 3, with total interest charges through April 30, 2023, estimated at \$28,420.

The interim refund amount (Schedule 1, Page 1 of 3, Line 6) plus interest (Schedule 1, Page 1 of 3, Line 7) equals the total refund obligation of \$1,633,903 (Schedule 1, Page 1 of 3, Line 8). The total refund obligation as a percent of interim revenue collected equals the interim refund factor, which is estimated to be 43.4893% (Schedule 1, Page 1 of 3, Line 9).

For every customer assessed an interim rate charge, a refund will be calculated by multiplying the customer's actual interim rate charges during the period from November 15, 2022, through March 31, 2023, by the interim refund factor. The estimated average refund per residential customer is \$11.49. Refunds of the applicable sales taxes will also be included in the refund amount. The interim rate refunds will be credited to accounts during a monthly billing cycle beginning no later than May 1, 2023. Refunds for existing customers will be in the form of a bill credit posted to the customer's account. A bill message will be developed to briefly describe the refund credit. Customers due a refund who are no longer MidAmerican customers will receive a check if the refund amount is \$5.00 or more. Refunds less than \$5.00 due to persons who are no longer a MidAmerican customer will be included in the Cost of Purchased Gas Adjustment true-up for distribution to all remaining customers.