

MIDAMERICAN ENERGY COMPANY
2026 SOUTH DAKOTA GAS RATE CASE
Docket No. NG-26-____
South Dakota Gas Operating Income Statement
Pro-Forma Adjustment - Payroll Adjustment
TEST YEAR ENDING DECEMBER 31, 2025
Individual Responsible: Blake M. Groen

Line	Description	Amount	Reference
	(a)	(b)	(c)
1.	Total payroll increase	\$ 8,085,674	WP BMG 5, Page 2 (PDF)
2.	FICA, FUTA, SUTA %	9.32%	WP BMG 5, Page 3 (PDF)
3.	Total payroll paxes increase	\$ 753,585	Line 1 * Line 2
4.	401(k) %	3.79%	WP BMG 5 Page 3 (PDF)
5.	Total 401(k) benefit increase	\$ 306,447	Line 1 * Line 4
6.	O&M vs total labor %	63.59%	WP BMG 5, Page 5, Line 21
7.	O&M labor increase	\$ 5,141,895	Line 1 * Line 6
8.	401(k) increase	\$ 194,878	Line 5 * Line 6
9.	Payroll tax increase	\$ 479,225	Line 3 * Line 6
10.	Gas labor amount	21.73% \$ 1,117,471	Gas Labor % (WP BMG 5 Page 5)* Line 7
11.	Gas 401(k)	21.73% \$ 42,352	Gas Labor % (WP BMG 5 Page 5) * Line 8
12.	Gas payroll Taxes	21.73% \$ 104,148	Gas Labor % (WP BMG 5 Page 5) * Line 9
13.	Pro Forma Adjustment - Jurisdictional Distribution of Gas O&M Expense Increase		
14.	Iowa	89.52% \$ 1,000,369	WP BMG 5 Page 5 Line 11 * Line 10
15.	Illinois	9.80% \$ 109,558	WP BMG 5 Page 5 Line 11 * Line 10
16.	South Dakota	13.66% \$ 152,610	WP BMG 5 Page 5 Line 11 * Line 10
17.	Nebraska	0.52% \$ 5,762	WP BMG 5 Page 5 Line 11 * Line 10
18.	Pro Forma Adjustment - Jurisdictional Distribution of Gas 401(k) Increase		
19.	Iowa	89.52% \$ 37,914	WP BMG 5 Page 5 Line 11 * Line 11
20.	Illinois	9.80% \$ 4,152	WP BMG 5 Page 5 Line 11 * Line 11
21.	South Dakota	13.66% \$ 5,784	WP BMG 5 Page 5 Line 11 * Line 11
22.	Nebraska	0.52% \$ 218	WP BMG 5 Page 5 Line 11 * Line 11
23.	Pro Forma Adjustment - Jurisdictional Distribution of Gas Payroll Tax Expense Increase		
24.	Iowa	89.52% \$ 93,234	WP BMG 5 Page 5 Line 11 * Line 12
25.	Illinois	9.80% \$ 10,211	WP BMG 5 Page 5 Line 11 * Line 12
26.	South Dakota	13.66% \$ 14,223	WP BMG 5 Page 5 Line 11 * Line 12
27.	Nebraska	0.52% \$ 537	WP BMG 5 Page 5 Line 11 * Line 12
28.	Pro Forma Adjustment - SD		
29.	Increase Labor Expense	\$ 152,610	Line 16
30.	Pro Forma Adjustment - SD		
31.	Increase 401(k) Expense	\$ 5,784	Line 21
32.	Pro Forma Adjustment -SD		
33.	Increase Payroll Tax Expense - FICA	\$ 13,384	Line 26
34.	Increase Payroll Tax Expense - FUTA	\$ 76	
35.	Increase Payroll Tax Expense - SUTA	\$ 92	
36.	Total	\$ 13,552	

Annual Pay Increases
2006 through 2014

Employee Group or Affiliation	Number of Employees	2025						Annualized Wage Increase	Wage Increase in Year	**Total Base Wages in Year
		Percentage Increase to Base Wages (new hires excluded)	Percentage Increase to Base Wages (new hires included)	Effective Date of Governing Contract or Increase	Effective Period of Increase	Proration End Date	Months Increase Applied - New Year	*Base Wages Before Increase		
Consolidated Contract (109,499CL, 499EG, 499ES, 499GS, MTRD)	1354	N/A	2.50%	5/1/2025	1 Year	1/1/2026	8.00	\$130,142,347.80	\$2,169,039.13	\$132,311,386.93
Fort Madison Gas Techs (499)	6	N/A	2.50%	9/1/2025	1 Year	1/1/2026	4.00	\$555,360.00	\$13,884.00	\$559,388.00
Sioux Falls Union Contract (7738)	47	N/A	2.50%	10/1/2025	1 Year	1/1/2026	3.00	\$4,275,585.60	\$106,889.64	\$4,302,308.01
Non-Exempt	619	3.41%	3.46%	1/1/2025	1 Year	1/1/2025	12.00	\$36,785,831.10	\$1,272,790	\$38,058,620.86
Exempt	1516	3.74%	3.71%	1/1/2025	1 Year	1/1/2025	12.00	\$186,300,019.80	\$6,911,731	\$193,211,750.53

For 2023:

*Base wages before increase are as of 12/31/2024 for non-union, and 1/01/2025 for union

**Total base pay wages in year are wages effective 1/1/2024 (as reported from Oracle), with merit increases applied, and with negotiated increases for Union.

	Avg	% Increase	Weighted Avg.
Non-exempt	\$1,272,789.76	15.55%	0.54%
Exempt	\$6,911,730.73	84.45%	3.13%
	\$8,184,520.49	100.00%	3.67%

Sum of ①'s 3,374,332.34

Sum of ②'s 2,200,389.54

1,173,942.80

6,911,730.73

8,085,673.53

Total

2025
BLENDED LABOR LOADING RATES

2025 Blended Labor Loading Rates

Loading Type	2025 Expenses		Loadable Labor		Total	Blended 2025 Rates	
	Salaried	Union	Salaried	Union		Salaried	Union
Benefits	42,948,264	27,282,272	191,545,840	108,784,334	300,330,174	22.42%	25.08%
PTO	29,748,054	23,948,628	191,545,840	108,784,334	300,330,174	15.53%	22.01%
I&D	630,125	5,854,466	191,545,840	108,784,334	300,330,174	0.33%	5.38%
FICA					346,164,691	9.32%	9.32%
PIP	33,924,014		191,545,840		191,545,840	17.71%	
Safety Awards	549,500	357,000	191,545,840	108,784,334	300,330,174	0.29%	0.33%
						65.60%	62.12%

401K expense 11,387,932

Labor 300,330,174

3.79%

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Line	Description	Iowa	Illinois	South Dakota	Nebraska	FERC	Total Company Gas
	A	B	C	D	E	F	G
1	Direct Payroll Distribution Summary -						
2	Manufactured Gas	\$12,840	\$0	\$0	\$0	-	\$10,065
3	Other Gas Supply	1,163,999	158,430	200,628	7,555	-	1,257,971
4	Storage, LNG	1,209,296	132,910	199,395	8,808	-	1,627,030
5	Distribution	30,761,076	3,430,052	4,429,870	150,510	-	40,490,376
6	Customer Accounts	11,284,321	1,129,318	1,971,994	68,536	-	4,026,515
7	Customer Serv. And Info.	479	0	0	1,049	-	1,196
8	Sales	724,950	46,092	86,941	6,972	-	759,732
9	Admin. And General	3,853,202	470,650	587,871	38,851	-	6,574,355
10	Total	<u>\$49,010,163</u>	<u>\$5,367,452</u>	<u>\$7,476,699</u>	<u>\$282,281</u>	<u>\$0</u>	<u>\$54,747,240</u>
11	Percent	<u>89.52%</u>	<u>9.80%</u>	<u>13.66%</u>	<u>0.52%</u>	<u>0.00%</u>	<u>100.00%</u>
<u>Electric Direct Labor</u>							
12	Charged to O&M	\$ 143,283,075	\$ 13,861,486	\$ 1,904,711	\$ -	\$ 558,333	\$ 197,165,576
13	Charged to Construction	68,476,426	3,308,755	484,405	-	561,167	107,873,305
14	Charged to Removal	5,010,599	237,124	39,601	-	31,452	100,146
15	Total Direct Labor	\$216,770,100	\$17,407,365	\$2,428,717	\$0	\$1,150,952	\$305,139,027
16	Percent O&M to Total	66.10%	79.63%	78.42%			<u>64.61%</u>
<u>Gas Direct Labor</u>							
17	Charged to O&M	\$ 47,915,403	\$ 5,299,681	\$ 7,234,464	\$ 239,063	\$ -	\$4,747,443
18	Charged to Construction	16,676,011	1,574,736	3,314,630	160,911		31,336,232
19	Charged to Removal	1,128,377	142,185	110,577	10,654	-	7,152
20	Total Direct Labor	\$65,719,791	\$7,016,602	\$10,659,671	\$410,628	-	\$86,090,827
21	Percent O&M to Total	72.91%	75.53%	67.87%	58.22%		<u>63.59%</u>
22	Other Income						\$14,691,289
23	Other Balance Sheet						\$30,504,945
24	Clearing Accounts						\$8,250,060
25	Total MEC Direct Labor	\$282,489,891	\$24,423,967	\$13,088,388	\$410,628	\$1,150,952	\$444,676,148
26	Percent Gas to Total	25.06%	27.66%	79.16%	100.00%		21.73%
27	Percent Electric to Total	74.94%	72.34%	20.84%	0.00%		78.27%

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<u>Line</u> (a)	<u>Account</u> (b)	Test Year	Pro Forma Adjustment			
		<u>Labor</u> (c)	<u>Labor</u> (d)	<u>Benefits</u> (e)	<u>Taxes</u> (f)	<u>Total</u> (g)
1.	735	\$ -	\$ -			\$ -
2.	813	165,684	3,692			3,692
3.	840	109,659	2,444			2,444
4.	841	116,176	2,589			2,589
5.	843	17	0			0
6.	870	834,961	18,606			18,606
7.	871	118,652	2,644			2,644
8.	874	1,722,651	38,387			38,387
9.	875	101,190	2,255			2,255
10.	877	-	-			-
11.	878	1,744,438	38,872			38,872
12.	879	198,125	4,415			4,415
13.	880	207,789	4,630			4,630
14.	886	2,442	54			54
15.	887	83,568	1,862			1,862
16.	889	5,148	115			115
17.	891	-	-			-
18.	892	3,632	81			81
19.	893	15,183	338			338
20.	901	32,335	721			721
21.	902	262,597	5,852			5,852
22.	903	283,881	6,326			6,326
23.	904	-	-			-
24.	905	2,579	57			57
25.	908	-	-			-
26.	909	-	-			-
27.	912	51,323	1,144			1,144
28.	916	1,993	44			44
29.	920	682,725	15,214			15,214
30.	922	4	0			0
31.	924	8,808	196			196
32.	925	77,458	1,726			1,726
33.	926	9,447	211	5,784		5,994
34.	928	274	6			6
35.	930	5,785	129			129
36.	935	4	0			0
37.	Other taxes				13,552	13,552
38.	Total	\$ 6,848,528	\$ 152,610	\$ 5,784	\$ 13,552	\$ 171,946

Column C source: Schedule H-1