



SPECIAL BOARD MEETING

FEBRUARY 25, 2025

Vision

Our members and Northeast Michigan will regard us as a trusted energy and community partner.

Mission

To provide energy and other services to sustain and improve the quality of life for our members through the use of a cooperative business structure.



BOARD OF DIRECTORS MEMBER REGULATION

Agenda

- Call to Order – Chairperson Borowicz
- Roll Call
- PA 167 of 2008 – CFO Stempky
- Review Items – CFO Stempky
 - 2024 Power Supply Cost Recovery (PSCR) Factor Reconciliation
 - 2025 Electric Revenue Increase
 - Implement Revenue Increase to Specific Rate Classes
 - Electric Rate Design
 - AMI Opt Out Tariff – Residential Service Schedule A Revision

BOARD OF DIRECTORS MEMBER REGULATION

- Introduction of Guests & Member Comment
- Action Items – CFO Stempky
 - Acceptance of 2024 Power Supply Cost Recovery (PSCR) Factor Reconciliation
 - Acceptance of 2025 Electric Revenue Increase
 - Approve Revenue Increase to Specific Rate Classes
 - Approve Recommended Rate Design for each Rate Class
 - Approve AMI Opt Out Tariff – Residential Service Schedule A Revision
- Adjournment

BOARD OF DIRECTORS MEMBER REGULATION



- PIE&G became Member Regulated September 23, 2012. (Public Act 167 of 2008)
- Allows electric cooperatives to establish rates, charges, accounting standards, billing practices, and terms and conditions of service.

BOARD OF DIRECTORS MEMBER REGULATION



- Five Issues for Board Consideration
 - Acceptance of 2024 PSCR Factor Reconciliation
 - Acceptance of 2025 Electric Revenue Increase
 - Implement Revenue Increase to Specific Rate Classes
 - Electric Rate Design
 - AMI Opt Out Tariff – Residential Service Schedule A Revision

Member Regulation 2024 PSCR Factor Reconciliation

2024 Over Collection --
\$ 1,341,517.15

Roll in prior year (2023) Over Collection --
\$66,832.35

Total amount to be refunded in 2025 --
\$1,408,349.50

Member Regulation PSCR Factor Reconciliation



Resolution 2025-MR-01

- Accept management's 2024 Electric PSCR Factor reconciliation analysis which indicates an over-collection of \$1,408,349.50 and direct management to continue refunding this amount to the membership through the use of the 2025 PSCR Factor.

Member Regulation Electric Rate Review Analysis



- Board Policy 307 - REVENUE REQUIREMENT AND RATE POLICY STATEMENT states that:
 - Cost-of-service studies (COSS) will be prepared at least once every five (5) years to have information needed to develop rates that generate margins adequate to meet annual lender requirements and the long-term financial objectives of the Cooperative.*
- Previous Electric COSS was done by Power Systems Engineering using 2018 financial data.
- CFC provides Electric Cost-of-service studies free of charge to its' members, so PIE&G staff was able to work with them to complete an updated Electric COSS using 2023 financial data.

Member Regulation Electric Rate Review Analysis



5% increase
recommended by
Staff to meet financial
goals and targets,
including debt service
and equity goals

\$2,492,930
revenue increase
to be
implemented on
May 1, 2025

Member Regulation Electric Rate Review Analysis Increase per Cost of Service Study



RATE CLASS	COSS REVENUE ADJUSTMENTS	% INCREASE
Residential Monthly	\$1,483,484	5.05%
Residential Seasonal	\$699,865	6.51%
General Service	\$182,566	2.91%
Large General Service	\$18,378	2.25%
LPTOD	\$70,859	5.28%
Primary Service	\$13,213	0.98%
Outdoor Lighting	\$24,565	8.96%

Member Regulation Electric Rate Review Analysis Rate Design BOARD POLICY 307



2. Rates will be developed based on cost-of-service studies and will be implemented that:

- a. Allocate cost across rate classes in an equitable manner.
- b. Minimize subsidies between classes.
- c. Setting availability charges at a target percentage of 65% of the most current Cost of Service Study availability charge when the current availability charge is above 70% or below 60% of the Cost of Service Study availability charge.*
- d. Annually coordinate distribution rates with expected wholesale power supply rates via implementation of a Power Supply Cost Recovery (PSCR) clause per 1982 PA 304 (PSCR Act) and an annual PSCR and GCR plan.

Member Regulation Electric Rate Review Analysis



Adjusted Cost of Service Study Cost-Based Rates

Line No.	Class	Customer Related	Demand Related (Dist. Sys.)	Demand Related (Pur. Pwr.)	Energy Related
1	Residential Sch-A	\$ 41.85	\$ 13.64	\$ 26.53	\$ 0.03774
2	Residential Seasonal Sch-A	\$ 42.69	\$ 13.52	\$ 26.30	\$ 0.03740
3	Seasonal Rates Sch-S	\$ 40.75	\$ 13.52	\$ 26.30	\$ 0.03740
4	General Service 1 Phase Sch-Gs	\$ 42.54	\$ 12.98	\$ 25.24	\$ 0.04912
5	General Service 3Phase Sch-Gs	\$ 49.03	\$ 12.98	\$ 25.24	\$ 0.04912
6	Large General Service Sch-Lg	\$ 113.78	\$ 12.78	\$ 24.86	\$ 0.04838
7	Large Power Tod Sch-Lptod	\$ 226.95	\$ 12.78	\$ 24.86	\$ 0.04838
8	Primary Service Sch-Psda	\$ 562.23	\$ 9.68	\$ 24.84	\$ 0.04833
9	Outdoor Lighting Sch-Od	\$ 10.56	\$ 9.75	\$ 26.30	\$ 0.05347
10	Net Excess Generation Sch-Neg	\$ -	\$ 13.52	\$ 26.30	\$ 0.05346

Member Regulation Electric Rate Review Analysis Rate Design



COST OF SERVICE STUDY RATE DETERMINATION

Rate Class	Current Availability Charge	COSS Customer Costs	Current Percentage
Residential Monthly	\$24.00	\$41.85	57.35%
Residential Seasonal	\$25.00	\$42.69	58.56%
General Service 1PH	\$24.00	\$42.54	56.42%
General Service 3PH	\$42.00	\$49.03	85.66%
Large General Service	\$50.00	\$113.78	43.94%
Large Power Time of Day	\$60.00	\$226.95	26.44%
Primary Service	N/A	N/A	N/A

Member Regulation Electric Rate Review Analysis Rate Design



PROPOSED AVAILABILTY CHARGE

Rate Class	Proposed Availability Charge	COSS Customer Costs	Percentage
Residential Monthly	\$28.00	\$41.85	66.91%
Residential Seasonal	\$28.00	\$42.69	65.59%
General Service 1PH	\$28.00	\$42.54	65.82%
General Service 3PH	\$32.00	\$49.03	65.27%
Large General Service	\$74.00	\$113.78	65.04%
Large Power Time of Day	\$148.00	\$226.95	65.21%
Primary Service	N/A	N/A	N/A

Member Regulation Electric Rate Review Analysis Rate Design



Propose Adjusting the Rate Classes in the following manner:

Rate Class	Proposed Availability* Charge	\$ Increase	Proposed kWh Charge	\$ Increase
Residential Monthly	\$28.00	\$4.00	\$0.05819	\$0.00357
Residential Seasonal	\$28.00	\$3.00	\$0.14695	\$0.00902
General Service 1PH	\$28.00	\$4.00	\$0.04270	\$0.00262
General Service 3PH	\$32.00	(\$10.00)	\$0.04270	\$0.00262
Large General Service	\$74.00	\$24.00	\$0.02979	\$0.00183
Large Power Time of Day	\$148.00	\$88.00	\$0.08560	\$0.00525
Primary Service	\$0.00		\$0.01726	\$0.00106

Member Regulation Electric Rate Review Analysis Rate Design



OUTDOOR LIGHTING

TYPE	Proposed Monthly Rate	\$ Increase
40 Watt LED T5	\$9.67	\$0.88
70 Watt LED T3/T5	\$12.30	\$1.12

Member Regulation Electric Rate Review Analysis

Resolution 2025-MR-02

- Accept management's 2025 Electric Rate Review Analysis which indicates a revenue increase is advised to meet the cooperative's financial goals and targets, including debt service and equity goals.

Member Regulation Electric Rate Review – Revenue Increase

Resolution 2025-MR-03

- Accept management's recommendation to implement the revenue increase to the Residential Monthly, Seasonal, General Service, Large General Service, Large Power Time of Day, Primary Service, and Outdoor Lighting Rate Classes, per the 2025 Cost of Service Study.
- Increase to be effective with bills rendered on or after May 1, 2025.

Member Regulation Electric Rate Review Rate Design

Resolution 2025-MR-04

- Accept management's recommendation to implement electric distribution rate increases to the Residential Monthly, Seasonal, General Service, Large General Service, Large Power Time of Day, Primary Service, and Outdoor Lighting Rate Classes, per the 2025 Cost of Service Study.
- Increase to be effective with bills rendered on or after May 1, 2025.

RESIDENTIAL SERVICE SCHEDULE A

Availability

Available to any Member-Consumer desiring service for domestic and farm uses, which includes only those purposes which are usual in an individual permanent residence, or separately metered apartments, and in the usual other buildings normally served through the residential meter.

This rate is also available to any Member-Consumer of the Cooperative for residential service to dwellings that are occupied seasonally, where consumption for the prior billing year exceeded 7,200 kWh. Seasonal Member-Consumers taking service under Schedule A whose consumption does not attain 7,200 kWh during two consecutive subsequent billing years shall be returned to the Seasonal Residential Service, Schedule S.

Nature of the Service

Single-phase, 60 cycles, at available secondary voltages.

Billing Rate

Distribution Service:

Monthly Availability Charge: **\$24.00** per Member-Consumer per month, plus

Or Annual Availability Charge: **\$288.00**

Distribution Variable Charge: **\$0.05462** per kWh for all kWh, plus

This service is subject to the Energy Optimization Surcharge shown on Sheet No. D-1.03.

Power Supply Service

Energy Charge: **\$0.08601** per kWh for all kWh

(Continued on Sheet No. D-5.01)

Issued **March 20, 2024**
By: Thomas J. Sobeck

Effective for bills rendered on and
after **April 1, 2024**

President and CEO
Onaway, Michigan

Issued under the authority of the Board
of Directors dated **February 27, 2024**

RESIDENTIAL SERVICE SCHEDULE A
(Continued from Sheet No. D-5.00)

Tax Adjustments

- A. Bills shall be increased within the limits of political subdivisions which levy special taxes, license fees or rentals against the Cooperative's property, or its operations, or the production and/or sale of electric energy, to offset such special charges and thereby prevent other Member-Consumers from being compelled to share such local increases.
- B. Bills shall be increased to offset any new or increased specific tax or excise imposed by any governmental authority which increases the Cooperative's cost of providing electric service.

Power Supply Cost Recovery Clause and Factor

This rate schedule is subject to the Cooperative's Power Supply Cost Recovery Clause as set forth on Sheet Nos. D-1.00 and D-1.01.

Nonstandard (AMR) Metering Provision

Member-Consumers taking service under Residential Service Schedule A may request a Nonstandard (AMR) metering option **before April 1st, 2025**. To participate in the Nonstandard (AMR) metering option, the Member-Consumer must satisfy the following criteria:

- A. The meter must be located outside and be accessible to Cooperative employees at all times,
- B. The member-consumer shall have zero instances of unauthorized use, theft, fraud and/or threats of violence toward Cooperative employees,
- C. The Member-Consumer shall enter into a written agreement with the Cooperative, **before April 1st, 2025**, requesting the Nonstandard (AMR) metering option **for each qualifying meter**, subject to the following terms:
 - 1) Upfront charge - If the Cooperative has not yet installed an AMI meter at the Member-Consumer's premises, a one-time charge of \$10.00 per billing meter per request will be assessed. If the Cooperative has installed an AMI meter at the premises, a one-time charge of \$50.00 per billing meter will be assessed to exchange the AMI meter for a Nonstandard (AMR) meter.
 - 2) Monthly Charge - A recurring charge of \$5.00 per month per billing meter will be assessed for each Nonstandard (AMR) meter. Multiple metering units will be charged per billing meter.

(Continued on Sheet No. D-5.02)

Issued **April 6, 2021**
By: Thomas J. Sobeck

President and CEO
Onaway, Michigan

Effective for bills rendered on and
after **May 1, 2021**

Issued under the authority of the Board
of Directors dated **3/23/21**

RESIDENTIAL SERVICE SCHEDULE A
(Continued from Sheet No. D-5.01)

- 3) Satisfactory payment history - The Member-Consumer shall maintain a satisfactory payment history on all accounts (i.e. the member's accounts were not delinquent more than 1 time in the past 12 months), as defined in Section B2 Consumer Standards and Billing Practices for Electric Residential Service, R 460.102 – Definitions.
- D. The Nonstandard (AMR) metering option is not available to Seasonal Member-Consumers taking service under Seasonal Residential Schedule S or to those taking service under Residential Monthly Service Schedule A, and
- E. The Nonstandard (AMR) metering option will only be available for Member-Consumers who ~~request service prior to November 1, 2020.~~ have active service and an AMR contract for each applicable meter signed before April 1st, 2025.
- F. Member-Consumers enrolled in the Nonstandard (AMR) metering option shall be eligible to continue participation for a term of 20 years, or when the Nonstandard (AMR) meter fails, whichever is first. A participating Member-Consumer may terminate participation in the Nonstandard (AMR) metering option at any time and for any reason. The Nonstandard (AMR) metering option and resulting contract are neither assignable, nor transferable, to a subsequent owner.

Nonstandard (Non AMR) Metering Provision

Member-Consumers taking service under Residential Service Schedule A may petition the Board of Directors requesting a limited waiver of the Nonstandard (AMR) metering option to retain their existing Nonstandard (Non AMR) meter. Petitions must be made in writing, and the following criteria must be satisfied:

- A. The meter must be located outside and be accessible to Cooperative employees at all times,
- B. The member-consumer shall have zero instances of unauthorized use, theft, fraud and/or threats of violence toward Cooperative employees,
- C. The Member-Consumer shall enter into a written agreement with the Cooperative, **before April 1st, 2025**, requesting the Nonstandard (Non AMR) metering option **for each qualifying meter**, including but not limited to the following items:
- 1) Upfront charge - If the Cooperative has not yet installed a standard AMI or Nonstandard AMR meter at the Member-Consumer's premises, a one-time charge of \$10.00 per billing meter per request will be assessed. If the Cooperative has installed a standard AMI or Nonstandard AMR meter at the premises, a one-time charge of \$50.00 per billing meter will be assessed to exchange the standard AMI or Nonstandard AMR meter for a Nonstandard (Non AMR) meter.
 - 2) Monthly Charge - A recurring charge of \$15.55 per month per billing meter will be assessed for each Nonstandard (Non AMR) meter. Multiple metering units will be charged per billing meter.

(Continued on Sheet No. D-5.03)

Issued **April 6, 2021**
By: Thomas J. Sobeck
President and CEO
Onaway, Michigan

Effective for bills rendered on and
after **May 1, 2021**

Issued under the authority of the Board
of Directors dated **3/23/21**

RESIDENTIAL SERVICE SCHEDULE A
(Continued from Sheet No. D-5.02)

- 3) Satisfactory payment history - The Member-Consumer shall maintain a satisfactory payment history on all accounts (i.e. the member's accounts were not delinquent more than 1 time in the past 12 months), as defined in Section B2 Consumer Standards and Billing Practices for Electric Residential Service, R 460.102 – Definitions.
- D. The Nonstandard (Non AMR) metering option is not available to Seasonal Member-Consumers taking service under Seasonal Residential Schedule S or to those taking service under Residential Monthly Service Schedule A, and
- E. The Nonstandard (Non AMR) metering option will only be available for Member-Consumers who have ~~requested service prior to November 1, 2020.~~ active service and a Non AMR contract for each applicable meter signed before April 1st, 2025.
- F. Member-Consumers enrolled in the Nonstandard (Non AMR) metering option shall be eligible to continue participation for a term of 20 years, or when the Nonstandard (Non AMR) meter fails, whichever is first. A participating Member-Consumer may terminate participation in the Nonstandard (Non AMR) metering option at any time and for any reason. The Nonstandard (Non AMR) metering option and resulting contract are neither assignable, nor transferable, to a subsequent owner.

Bill Frequency

All Member-Consumers taking service under Schedule A will be billed once per month and subject to the terms of Meter Reading found below.

(Continued on Sheet No. D-5.04)

Issued **May 24, 2023**
By: Thomas J. Sobeck
President and CEO
Onaway, Michigan

Effective for bills rendered on and
after **June 1, 2023**

Issued under the authority of the Board
of Directors dated **March 28, 2023**

RESIDENTIAL SERVICE SCHEDULE A (Cont'd)
(Continued from Sheet No. D-5.03)

Meter Reading

~~Meter readings are to be supplied by the Member Consumers on a once per month basis prior to the due date. If the Member Consumer fails to provide a reading for three consecutive months, the Cooperative will obtain a reading and bill each metered account the Meter Reading Charge as shown on Sheet No. €9.00.~~

Terms of Payment

This rate schedule is subject to the Cooperative's Allowable Charges as set forth in R 460.122.

Rules and Regulations

Service is governed by the Cooperative's Standard Rules and Regulations.

Definitions

Standard Meter: An Advanced Metering Infrastructure (AMI) meter that uses radio frequency to wirelessly communicate. This type of meter has a 2-way communication pathway; the meter communicates to PIE&G and PIE&G can communicate with the meter.

Nonstandard Meter (AMR): An Automated Meter Reading (AMR) meter that uses a radio received to communicate. This type of meter has the potential to have a 1-way communication pathway from the meter to PIE&G.

Nonstandard Meter (Non AMR): A meter that does not have technology to wirelessly communicating with PIE&G. This type of meter must be manually read.

Issued **April 6, 2021**
By: Thomas J. Sobeck
President and CEO
Onaway, Michigan

Effective for bills rendered on and
after **May 1, 2021**

Issued under the authority of the Board
of Directors dated **3/23/21**

Member Regulation Electric Residential Service Schedule A Tariff - AMI Opt Out



Resolution 2025-MR-05

- Accept management's recommendation to revise the Residential Service Schedule A tariff to update the Opt Out procedure for eligible Member-Consumers.

Our members will regard us as a trusted energy partner.

BOARD OF DIRECTORS MEMBER REGULATION



- Introduction of Guests and Member Comments
 - PIE&G Tradition of Inviting Member Comments (in this case not required by PA 167)...
 - Welcome Member Comments

Our members will regard us as a trusted energy partner.

BOARD OF DIRECTORS MEMBER REGULATION



- ACTION ITEMS:
 - Approval of Resolutions

BOARD OF
DIRECTORS
MEMBER
REGULATION

Adjourn

**PRESQUE ISLE ELECTRIC & GAS CO-OP
BOARD RESOLUTION
FEBRUARY 25, 2025**

RESOLUTION 2025-MR-01

**2024 POWER SUPPLY COST RECOVERY (PSCR) FACTOR
RECONCILIATION**

WHEREAS, PIE&G transitioned to member-regulation with an effective date of September 23, 2012 thus providing that its electric rates, charges, accounting standards, billing practices, and terms and conditions of service are under authority of the board of directors and not the Michigan Public Service Commission (MPSC); and

WHEREAS, PIE&G staff has reviewed the 2024 PSCR Factor reconciliation exhibits with the Board of Directors; and

WHEREAS, the 2024 PSCR Factor reconciliation indicates that PIE&G has experienced a cumulative over-collection of power supply costs of \$1,408,349.50 for the 12-month period ending December 31, 2024;

NOW BE IT HEREBY RESOLVED that the PIE&G Board of Directors accepts management's 2024 ELECTRIC PSCR Factor reconciliation analysis, which indicates an over-collection of \$1,408,349.50 and directs management to continue refunding this amount to the membership through the use of the 2025 PSCR Factor.

CERTIFICATION

I, Sally Knopf, Secretary of the Board of Directors of Presque Isle Electric & Gas Co-op, do hereby certify that the above is a true and correct copy of a resolution adopted at a special meeting of the Board of Directors of Presque Isle Electric & Gas Co-op held on February 25, 2025.

By: _____
Sally Knopf, Secretary

Dated: _____

**PRESQUE ISLE ELECTRIC & GAS CO-OP
BOARD RESOLUTION
FEBRUARY 25, 2025**

**RESOLUTION 2025-MR-02
2025 ELECTRIC OPERATIONS RATE REVIEW ANALYSIS**

WHEREAS, PIE&G transitioned to member regulation with an effective date of September 23, 2012 thus providing that its electric rates and charges are no longer regulated by the Michigan Public Service Commission; and

WHEREAS, PIE&G has established Board Policy No. 307 – Energy Rate Design, which requires energy rates be developed and implemented to generate margins adequate to meet annual lender requirements and the Cooperative’s long-term financial objectives; and

WHEREAS, PIE&G has also established Board Policy No. 204 – Financial Policy, which directs management to operate the Cooperative so that its financial operating results are within the goals and parameters established by the Board. Cooperative management shall review these financial goals and parameters annually and recommend changes to the Board, if necessary; and

WHEREAS, the 2025 Electric Rate Review Analysis indicates a revenue increase of \$2,492,930 is advised by management to meet the cooperative’s financial goals and targets, including debt service and equity goals;

NOW BE IT HEREBY RESOLVED that the PIE&G Board of Directors accepts management’s 2025 Electric Rate Review analysis which indicates a revenue increase of \$2,492,930 is advised to meet the cooperative’s financial goals and targets, including debt service and equity goals.

CERTIFICATION

I, Sally Knopf, Secretary of the Board of Directors of Presque Isle Electric & Gas Co-op, do hereby certify that the above is a true and correct copy of a resolution adopted at a special meeting of the Board of Directors of Presque Isle Electric & Gas Co-op held on February 25, 2025.

By: _____
Sally Knopf, Secretary

Dated: _____

**PRESQUE ISLE ELECTRIC & GAS CO-OP
BOARD RESOLUTION
FEBRUARY 25, 2025**

**RESOLUTION 2025-MR-03
2025 ELECTRIC RATE REVENUE REQUIREMENTS**

WHEREAS, PIE&G transitioned to member regulation with an effective date of September 23, 2012 thus providing that its electric rates and charges are no longer regulated by the MPSC; and

WHEREAS, PIE&G has established Board Policy No. 307 – Energy Rate Design which requires energy rates be developed and implemented to in a manner that allocates cost across rate classes in an equitable manner and minimizes subsidies between rate classes; and;

WHEREAS, PIE&G has established that the 2025 Electric Rate Analysis provides for an increase of \$2,492,930 to achieve the cooperative's financial goals and targets, including debt service and equity goals; and

WHEREAS, PIE&G has reviewed an updated Cost of Service Study Analysis which indicates subsidies continue to exist between rate classes; and

WHEREAS, PIE&G desires to develop and implement distribution rates across rate classes in an equitable manner and minimize subsidies between rate classes;

NOW BE IT HEREBY RESOLVED that the PIE&G Board of Directors directs management to implement electric rate increases to the residential monthly, seasonal, general service, large general service, large power time of day, primary service, and outdoor lighting rate classes in the following manner effective with bills rendered on or after May 1, 2025:

Residential Monthly Total Increase	\$1,483,484
Residential Seasonal Total Increase	\$ 699,865
General Service	\$ 182,566
Large General Service	\$ 18,378
Large Power Time of Day	\$ 70,859
Primary Service	\$ 13,213
Outdoor Lighting Total Increase	\$ 24,565

CERTIFICATION

I, Sally Knopf, Secretary of the Board of Directors of Presque Isle Electric & Gas Co-op, do hereby certify that the above is a true and correct copy of a resolution adopted at a special meeting of the Board of Directors of Presque Isle Electric & Gas Co-op held on February 25, 2025.

By: _____
Sally Knopf, Secretary

Dated: _____

**PRESQUE ISLE ELECTRIC & GAS CO-OP
BOARD RESOLUTION
FEBRUARY 25, 2025**

**RESOLUTION 2025-MR-04
2025 ELECTRIC RATE DESIGN**

WHEREAS, PIE&G transitioned to member regulation with an effective date of September 23, 2012 thus providing that its electric rates and charges are no longer regulated by the MPSC; and

WHEREAS, PIE&G has established Board Policy No. 307 – Energy Rate Design which requires energy rates be developed and implemented in a manner that phases out intentional subsidies within rate classes and minimizes subsidies between classes; and

WHEREAS, PIE&G has established that the 2025 Electric Rate Analysis provides for an increase of \$2,492,930 to achieve the cooperative’s financial goals and targets, including debt service and equity goals; and

WHEREAS, PIE&G has established that the increase of \$2,492,930 is to be implemented on the Residential Monthly, Seasonal, General Service, Large General Service, Large Power Time of Day, Primary Service, and Outdoor Lighting rate classes; and

WHEREAS, PIE&G has reviewed an updated Cost of Service Study Analysis which indicates subsidies continue to exist within rate classes;

NOW BE IT HEREBY RESOLVED that the PIE&G Board of Directors directs management to implement electric distribution rate increases to the Residential Monthly, Seasonal, General Service, Large General Service, Large Power Time of Day, Primary Service, and Outdoor Lighting rate classes in the following manner effective with bills rendered on or after May 1, 2025:

Residential Monthly	availability charge	\$28.00 per month
	distribution charge	\$0.05819 per kWh
Residential Seasonal	availability charge	\$28.00 per month
	distribution charge	\$0.14695 per kWh
General Service (1PH)	availability charge	\$28.00 per month
	distribution charge	\$0.04270 per kWh
General Service (3PH)	availability charge	\$32.00 per month
	distribution charge	\$0.04270 per kWh
Large General Service	availability charge	\$74.00 per month
	distribution charge	\$0.02979 per kWh
Large Power Time of Day	availability charge	\$148.00 per month
	kWh charge	\$0.08560 per kWh

**PRESQUE ISLE ELECTRIC & GAS CO-OP
BOARD RESOLUTION
FEBRUARY 25, 2025**

Primary Service	distribution charge	\$0.01726 per kWh
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Outdoor Lighting	40W LED T5	\$ 9.67 per month
	70W LED T3/T5	\$ 12.30 per month

CERTIFICATION

I, Sally Knopf, Secretary of the Board of Directors of Presque Isle Electric & Gas Co-op, do hereby certify that the above is a true and correct copy of a resolution adopted at a special meeting of the Board of Directors of Presque Isle Electric & Gas Co-op held on February 25, 2025.

By: _____
Sally Knopf, Secretary

Dated: _____