

**PRESQUE ISLE ELECTRIC & GAS CO-OP
BOARD RESOLUTION
September 23, 2025**

**RESOLUTION 2025-20
Update Natural Gas Service Fees**

WHEREAS, Presque Isle Electric & Gas Co-op has reviewed its current natural gas service fees and determined that changes are necessary to better reflect the actual costs of providing service, including materials, labor, equipment, and inflationary pressures; and

WHEREAS, Presque Isle Electric & Gas staff has recommended adjustments to certain gas service charges to ensure financial sustainability and service reliability;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of Presque Isle Electric & Gas Co-op hereby approves the following updated gas service fees, effective [January 1, 2026]:

Approved Gas Fee Changes

Service	Current Fee	New Fee
Appointment Charge	\$0	\$100
New Service Base Fee	\$300 / \$380	\$550
New Service Footage Charge	\$4/ft (50'–150'), \$2/ft thereafter	\$3/ft (flat rate)
Main Extension	\$4.50/ft with credits	\$4.50/ft (no credits)
Bore Charge	\$10/ft	\$350 + \$10/ft
Service Charge	\$0	\$125
Winter/Rock Excavation Charge	\$3/ft	\$250 + \$5/ft
Meter Upgrade	\$50	\$350
Reroute Charge	\$300 / \$380	\$550
Reinstall Charge	\$300 / \$380	\$550

BE IT FURTHER RESOLVED that these changes shall be communicated to cooperative members prior to implementation and included in updated rate schedules.

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 meeting of the Board of Directors of Presque Isle Electric & Gas Co-op held on September 23, 2025.

By: Sally Knopf, Sec.
Sally Knopf, Secretary

Dated: Sept. 23, 2025

PRESQUE ISLE ELECTRIC & GAS CO-OP
BOARD RESOLUTION
September 23, 2025

RESOLUTION 2025-22
EO/EWR Program

WHEREAS, in the past Presque Isle Electric & Gas Co-op has offered to its Members Energy optimization and Energy Waste Reduction Programs (the "Programs") consistent with 2008 PA 295, as amended; and

WHEREAS, the Programs have been beneficial to Members and have proven to be cost-effective; and

WHEREAS, recent changes in 2008 PA 295, as amended, have created an obligation to again offer Programs, subject to Board of Directors approval and reporting to the Michigan Public Service Commission; and

WHEREAS, 2008 PA 295, as amended, allows electric distribution cooperatives to collaborate in offering such Programs, including Efficient Electrification Measures, and allows for collective Compliance; and

WHEREAS, the Board of Directors desires to continue offering beneficial existing and new Programs, and to continue applying existing Program surcharges and reserves to fund them:

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of Presque Isle Electric & Gas Co-op hereby approves the following:

- Approves the Programs as proposed by Management;
- Approves collaboration with other cooperatives in the implementation of these Programs, as Management deems reasonable;
- Approves the continuation of Program surcharges and the use of Program reserves to fund the existing and new Programs; and
- Directs Management to provide annual reports to the Board of Directors on Program offerings and their effectiveness.

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 meeting of the Board of Directors of Presque Isle Electric & Gas Co-op held on September 23, 2025.

By: Sally Knopf, Sec.
Sally Knopf, Secretary

Dated: Sept. 23, 2025

**PRESQUE ISLE ELECTRIC & GAS CO-OP
BOARD RESOLUTION
SEPTEMBER 23, 2025**

**RESOLUTION 2025-MR-07
2026 PSCR FACTOR**

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

WHEREAS, PIE&G in conjunction with Wolverine Power Supply Cooperative (WPSC), it's wholesale electric energy supplier, has conducted an analysis of projected energy costs and sales volumes; and

WHEREAS, PIE&G's staff has reviewed the analysis with the Board of Directors; and

WHEREAS, results of that analysis indicate an overall energy cost of 105.98 mills/kWh or \$0.10598/kWh which, when combined with PIE&G's current PSCR basing point of 87.85 mills/kWh provides for a 2026 PSCR Factor of **18.13** mills/kWh.

NOW BE IT HEREBY RESOLVED that the PIE&G Board of Directors accepts the analysis as provided by the cooperative staff as a reasonable basis for establishing the maximum 2026 PSCR Factor of **18.13** mills/kWh or **\$0.01813**/kWh effective with all bills rendered on or after February 1, 2026 and directs staff to amend the appropriate tariffs in its Electric Rate Book.

BE IT FURTHER RESOLVED that the cooperative staff may apply a lesser PSCR Factor than approved in this resolution because of an over-collection of power supply costs from the membership, in which case they shall notify the Board of Directors of their intent to do so.

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 September 23, 2025.

By: *Sally Knopf, Sec.*
Sally Knopf, Secretary

Dated: *Sept. 23, 2025*

**PRESQUE ISLE ELECTRIC & GAS CO-OP
BOARD RESOLUTION
SEPTEMBER 23, 2025**

**RESOLUTION 2025-MR-08
2026 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 2026 Electric Rate Review Analysis indicates a revenue increase of \$12,000,000 is advised by management to meet the cooperative's financial goals and targets, including debt service and equity goals; and

WHEREAS, the Board has reviewed the potential impacts of a one-time rate increase on Cooperative members and determined that a phased implementation would better serve the interests of the membership by easing the financial burden;

NOW BE IT HEREBY RESOLVED that the PIE&G Board of Directors accepts management's 2026 Electric Rate Review analysis which indicates a revenue increase of \$12,000,000 is advised to meet the cooperative's financial goals and targets, including debt service and equity goals, and that the revenue increase will be implemented in two phases, with one half of the increase (i.e. \$6,000,000) implemented with bills rendered on or after February 1, 2026 and the remaining half (i.e. \$6,000,000) implemented with bills rendered on or after February 1, 2027.

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 September 23, 2025.

By: Sally Knopf, Sec.
Sally Knopf, Secretary

Dated: Sept. 23, 2025

**PRESQUE ISLE ELECTRIC & GAS CO-OP
BOARD RESOLUTION
SEPTEMBER 23, 2025**

**RESOLUTION 2025-MR-09
2026/2027 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 2026 Electric Rate Analysis provides for an increase of \$12,000,000 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; and

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

WHEREAS, the Board has reviewed the potential impacts of a one-time rate increase on Cooperative members and determined that a phased implementation would better serve the interests of the membership by easing the financial burden;

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 February 1, 2026:

Residential Monthly Total Increase	\$3,282,561
Residential Seasonal Total Increase	\$1,484,406
General Service	\$ 646,800
Large General Service	\$ 60,638
Large Power Time of Day	\$ 345,532
Primary Service	\$ 79,913
Outdoor Lighting Total Increase	\$ 100,292


**PRESQUE ISLE ELECTRIC & GAS CO-OP
BOARD RESOLUTION
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Effective with bills rendered on or after February 1, 2027:

Residential Monthly Total Increase	\$3,282,561
Residential Seasonal Total Increase	\$1,484,406
General Service	\$ 646,800
Large General Service	\$ 60,638
Large Power Time of Day	\$ 345,532
Primary Service	\$ 79,913
Outdoor Lighting Total Increase	\$ 100,292

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 September 23, 2025.

By: 
Sally Knopf, Secretary

Dated: Sept. 23, 2025

**PRESQUE ISLE ELECTRIC & GAS CO-OP
BOARD RESOLUTION
SEPTEMBER 23, 2025**

**RESOLUTION 2025-MR-10
2026/2027 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 2026 Electric Rate Analysis provides for an increase of \$12,000,000 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 \$12,000,000 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; and

WHEREAS, the Board has reviewed the potential impacts of a one-time rate increase on Cooperative members and determined that a phased implementation would better serve the interests of the membership by easing the financial burden;

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:

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Effective with bills rendered on or after February 1, 2026:

Residential Monthly	availability charge	\$28.00 per month
	distribution charge	\$0.07978 per kWh
Residential Seasonal	availability charge	\$37.80 per month
	distribution charge	\$0.14695 per kWh
General Service (1PH)	availability charge	\$28.00 per month
	distribution charge	\$0.05855 per kWh
General Service (3PH)	availability charge	\$32.00 per month
	distribution charge	\$0.05855 per kWh
Large General Service	availability charge	\$74.00 per month
	distribution charge	\$0.04084 per kWh
Large Power Time of Day	availability charge	\$148.00 per month
	kWh charge	\$0.11737 per kWh
Primary Service	distribution charge	\$0.02366 per kWh
Outdoor Lighting	40W LED T5	\$ 12.97 per month
	70W LED T3/T5	\$ 16.50 per month

**PRESQUE ISLE ELECTRIC & GAS CO-OP
BOARD RESOLUTION
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Effective with bills rendered on or after February 1, 2027:

Residential Monthly	availability charge	\$28.00 per month
	distribution charge	\$0.10138 per kWh
Residential Seasonal	availability charge	\$47.60 per month
	distribution charge	\$0.14695 per kWh
General Service (1PH)	availability charge	\$28.00 per month
	distribution charge	\$0.07439 per kWh
General Service (3PH)	availability charge	\$32.00 per month
	distribution charge	\$0.07439 per kWh
Large General Service	availability charge	\$74.00 per month
	distribution charge	\$0.05190 per kWh
Large Power Time of Day	availability charge	\$148.00 per month
	kWh charge	\$0.14913 per kWh
Primary Service	distribution charge	\$0.03007 per kWh
Outdoor Lighting	40W LED T5	\$ 16.28 per month
	70W LED T3/T5	\$ 20.70 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 September 23, 2025.

By: Sally Knopf, Sec
Sally Knopf, Secretary

Dated: Sept. 23, 2025

**PRESQUE ISLE ELECTRIC & GAS CO-OP
BOARD RESOLUTION
SEPTEMBER 23, 2025**

**RESOLUTION 2025-MR-11
DISCONTINUATION OF EO/EWR PROGRAM**

WHEREAS, in the past, Presque Isle Electric & Gas has offered to Members, Energy Optimization and Energy Waste Reduction Programs (Programs) consistent with 2008 PA 295, as amended; and

WHEREAS, the Programs have been beneficial to Members and have proven to be cost effective; and

WHEREAS, upon expiration of the original obligation to offer programs under 2008 PA 295 on January 1, 2022, the Presque Isle Electric & Gas Co-op board of directors approved continuation of the Programs and Program Surcharges and authorized the use of Program surcharge revenues and reserves to fund the existing and new Programs in the future as proposed by Management, per Board Resolution No. 2021-15, on August 24, 2021; and

WHEREAS, recent changes in 2008 PA 295, as amended, has created the obligation to again offer Programs subject to Board of Directors approval and reporting to the Michigan Public Service Commission:

NOW, THEREFORE, BE IT HEREBY RESOLVED that effective February 1, 2026, the Presque Isle Electric and Gas Co-op Board of Directors formally discontinues the Energy Waste Reduction Programs authorized by Board Resolution No. 2021-15.

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 September 23, 2025.

By: _____

Sally Knopf, Secretary
Sally Knopf, Secretary

Dated: _____

Sept. 23, 2025

**PRESQUE ISLE ELECTRIC & GAS CO-OP
BOARD RESOLUTION
SEPTEMBER 23, 2025**

**RESOLUTION 2025-MR-12
ENERGY OPTIMIZATION PROGRAM**

WHEREAS, in the past, Presque Isle Electric & Gas has offered to Members Energy Optimization and Energy Waste Reduction Programs (Programs) consistent with 2008 PA 295, as amended; and

WHEREAS, the Programs have been beneficial to Members and have proven to be cost effective; and

WHEREAS, the obligation to offer Programs under 2008 PA 295, as amended, expired on January 1, 2022

WHEREAS, recent changes in 2008 PA 295, as amended, has created the obligation to again offer Programs subject to Board of Directors approval and reporting to the Michigan Public Service Commission; and

WHEREAS, 2008 PA 295, as amended, allows electric distribution cooperatives to collaborate in the offering of Programs including Efficient Electrification Measures, and collective compliance;

NOW, THEREFORE, BE IT HEREBY RESOLVED, that the Presque Isle Electric and Gas Co-op Board of Directors will adopt the Programs proposed by Management, and authorizes the use of Program surcharge revenues and reserves to fund the existing and new Programs in the future as proposed by Management.

BE IT FURTHER RESOLVED, that a monthly Energy Optimization Surcharge will be applied to all members' electric bills beginning February 1, 2026, according to the following schedule:

**PRESQUE ISLE ELECTRIC & GAS CO-OP
BOARD RESOLUTION
SEPTEMBER 23, 2025**

Rate Schedule

\$/kWh

Schedule A – Residential Service	\$0.00229
Schedule S – Seasonal Residential Service	\$0.00229
Schedule CH – Controlled Heating Service	\$0.00229
Schedule EEH – Efficient Electric Heating	\$0.00229
Schedule OL – Outdoor Lighting Service	\$0.00312

Rate Schedule

\$/meter/month

Schedule GS – General Services	\$ 3.10
Schedule LG – Large General Service	\$ 74.14
Schedule LPTOD – Option Large Power Time-of-Day Service	\$ 74.14
Schedule PSDS – Primary Service	\$400.99

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 September 23, 2025.

By: Sally Knopf, Sec.
Sally Knopf, Secretary

Dated: Sept. 23, 2025

**PRESQUE ISLE ELECTRIC & GAS CO-OP
BOARD RESOLUTION
SEPTEMBER 23, 2025**

**RESOLUTION 2025-MR-13
BLENDED ENERGY CHARGE**

WHEREAS, Presque Isle Electric & Gas Co-op currently uses a rate structure that includes multiple unblended kilowatt-hour (kWh) charges for energy supply and separate kWh-based charges for distribution; and

WHEREAS, these unblended charges, while reflective of various cost components, can be complex and difficult for members to interpret and understand; and

WHEREAS, PIE&G's staff has recommended the transition to a simplified, blended kWh charge that fairly reflects the combined cost of energy and distribution service; and

WHEREAS, the proposed blended charges are revenue-neutral, maintain proper cost recovery, and promote transparency and ease of communication with Cooperative members;

NOW BE IT HEREBY RESOLVED that the PIE&G Board of Directors accepts the recommendation of the cooperative staff to consolidate kWh charges associated with the cost of energy and distribution service into one combined energy rate, and authorizes cooperative staff to work toward implementing the new blended rate structure in billing and accounting systems, and update all tariffs and policies to reflect the new rates.

BE IT FURTHER RESOLVED, that PIE&G staff will notify the Board of Directors prior to the planned implementation date to allow for final review, preparation, and any necessary Board input.

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 September 23, 2025.

By: 
Sally Knopf, Secretary

Dated: Sept. 23, 2025