

Voltage level	Secondary	Primary	Transmission
On-Peak Demand			
Peak Summer Distribution			
	\$1.140 per kW	\$1.140 per kW	\$1.140 per kW
Peak Summer Power Supply			
	\$12.90 per kW	\$12.61 per kW	\$12.44 per kW
Peak Winter Distribution			
	\$1.140 per kW	\$1.140 per kW	\$1.140 per kW
Peak Winter Power Supply			
	\$12.90 per kW	\$12.61 per kW	\$12.44 per kW
Interruptible Demand Charges			
Summer-Distribution			
	\$1.140 per kW	\$1.140 per kW	\$1.140 per kW
Summer-Power Supply			
	\$7.65 per kW	\$7.36 per kW	\$7.19 per kW
Winter-Distribution			
	\$1.140 per kW	\$1.140 per kW	\$1.140 per kW
Winter-Power Supply			
	\$7.65 per kW	\$7.36 per kW	\$7.19 per kW
Interruptible Credit			
Summer	(\$5.250) per kW	(\$5.250) per kW	(\$5.250) per kW
Winter	(\$5.250) per kW	(\$5.250) per kW	(\$5.250) per kW
Energy			
On-Peak Energy - Power Supply			
	\$0.06197 per kWh	\$0.06017 per kWh	\$0.05942 per kWh
Off-Peak Energy - Power Supply			
	\$0.03350 per kWh	\$0.03253 per kWh	\$0.03212 per kWh

Parallel generation - net energy billing

Customers interconnected to us with renewable energy generators having a capacity of 20 kW or less are eligible. Net energy billing allows you to receive compensation for energy delivered to us above what your electric needs are.

Parallel generation - purchase by us

We will purchase energy from customers with renewable generators larger than 20 kW and less than 20,000 kW. Energy is priced based on our costs to supply energy to customers.

Voltage level	Secondary	Primary	Transmission
Fixed Charge	\$12.00 per month	\$12.00 per month	\$12.00 per month
Energy payments			
Standard On-Peak	(\$0.03429) per kWh	(\$0.03502) per kWh	(\$0.03469) per kWh
Standard Off-Peak	(\$0.02467) per kWh	(\$0.02519) per kWh	(\$0.02495) per kWh

Natural gas rates

We itemize, or "unbundle," charges on your bill for Gas Supply and Delivery. Your itemized charges for Gas Supply include costs to purchase the gas and transport it over pipelines to local distribution systems. Your itemized charges for Delivery include costs to deliver the gas to your business, as well as certain customer services.

The base gas charges are subject to a Gas Cost Recovery (GCR) factor to reflect changes in fuel costs. The current base GCR factor is \$0.42780 per Therm.

Types of natural gas service

C&I Small/Medium

Energy consumption < 10,000 therms per year		
Customer charge		
Year Round	\$0.02465 per day	\$7.50 per month
Seasonal	\$0.4931 per day	\$15.00 per month
Energy Charge - Distribution	\$0.08514 per therm	
Supplemental Charges (Energy Waste Reduction)		
Year Round	\$0.0513 per day	\$1.56 per month
Seasonal	\$0.1026 per day	\$3.12 per month

The monthly minimum charge is the Daily Customer Charge plus applicable daily Supplemental Charges multiplied by the number of days in the billing period.

C&I Large

This rate is for customers with requirements of more than 10,000 therms per year.

Energy consumption > 10,000 therms per year		
Customer Charge	\$2.3671 per day	\$72.00 per month
Energy Charge - Distribution	\$0.06214 per therm	
Supplemental Charges (Energy Waste Reduction)		
	\$0.6086 per day	\$18.51 per month

*Subject to GCR factor

The monthly minimum charge is the Daily Customer Charge plus applicable daily Supplemental Charges multiplied by the number of days in the billing period.

Transportation Service

This rate is for customers who choose to buy natural gas directly from suppliers and then deliver that natural gas to our distribution system for the purposes of us to deliver the gas to customers' meters. Customers must take service under this rate for entire calendar months.

Gas Transportation Service < 10,000 therms per year		
Customer Charge	\$4.8493 per day	\$147.50 per month
Supplemental Charges (Energy Waste Reduction)		
	\$0.00 per day*	\$0.00 per month
*No customers currently on this rate.		
Gas Transportation Service 10,001 to 1,800,000 therms per year		
Customer Charge	\$6.9698 per day	\$212.00 per month
Supplemental Charges (Energy Waste Reduction)		
	\$0.4588 per day	\$13.95 per month
Gas Transportation Service > 1,800,001 therms per year		
Customer Charge	\$6.9698 per day	\$212.00 per month
Supplemental Charges (Energy Waste Reduction)		
	\$9.2170 per day	\$280.35 per month

For more information

To learn more about Upper Michigan Energy Resources Corporation or the rate options available to you, please visit uppermichiganenergy.com, call your account manager, or call the Business Solutions Center at **877-444-0888**.



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Electric and natural gas rates

for Michigan business customers

January 2018

The rates in this brochure reflect the authorized base rates of Upper Michigan Energy Resources Corporation for its Michigan business customers.



Energy you can depend on



Rate options

We recommend you review the rate options and prices listed in this brochure. Your current rate description is listed on your bill. Compare this rate description to the other rate options described here. While you are the best judge of which rates are best for your situation, we'll be glad to help you compare rate options. Complete rate schedules are available upon request. You also may request energy use and weather-adjusted consumption data for the last 12 months. Visit uppermichiganenergy.com for more pricing information.

Michigan customer choice

Most Michigan electric customers have a Retail Access Service option, or choice to purchase their generation and transmission service from a licensed unregulated Alternative Electric Supplier (AES) at a price determined solely between the customer and the AES, with power delivered through the Company's distribution system. The AES will charge its customers for the energy and transmission services to transport the electricity across the high-voltage lines to your business. The utility will charge AES customers for the distribution services on the low-voltage lines. And, beginning in June 2018, the utility will charge AES customers for the availability of generation (capacity) if the AES has not secured generation capacity for your business. Customers may continue to buy their power supply from the local utility under Full Requirements Service at prices regulated by the Michigan Public Service Commission.

Electric rates

We itemize, or "unbundle," charges on your bill for Power Supply and Delivery. Your itemized charges for Power Supply include costs to generate or purchase the electricity and transport it over power lines to local distribution systems. Your itemized charges for Delivery include costs to deliver the electricity to your business, as well as certain customer services. The base energy charges are subject to a Power Supply Cost Recovery (PSCR) factor to reflect changes in fuel costs. The current PSCR factor is (\$0.00136) per kWh. The current cost base is \$0.04052 per kWh.

Types of electric service

Standard (energy only)

With Standard electric service, business customers who use less than 25,000 kWh of electricity, and less than 100 kW demand, will pay the same rate for each kWh of electricity used, regardless of the time of day it's used.

Energy consumption < 12,500 kWh per month		
Fixed Charge		
Year Round	\$0.8219 per day	\$25.00 per month
Seasonal	\$1.6438 per day	\$50.00 per month
Energy Charge - Distribution		\$0.02000 per kWh
Energy Charge - Power Supply		\$0.09630 per kWh
Energy consumption > 12,500 kWh per month		
Fixed Charge		
Year Round	\$1.3151 per day	\$40.00 per month
Seasonal	\$2.6301 per day	\$80.00 per month
Energy Charge - Distribution		\$0.01335 per kWh
Energy Charge - Power Supply		\$0.10273 per kWh

Optional electric rate choices

NatureWise® Renewable Energy

With NatureWise, your business can support clean sources of energy, including wind and biogas from farms and landfills. Choose a participation level based on your size and business goals.

100 kWh block of energy	\$2.40 per block
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Optional Time-of-Use (two-tier)

Optional Time-of-Use helps you save money by shifting the amount of electricity used during off-peak savings hours instead of during the more costly on-peak hours. This rate is an option for customers on the Cg-1M and Cg-3M standard rates.

Fixed Charge	\$0.8219 per day	\$25.00 per month
Fixed Charge Seasonal	\$1.6438 per day	\$50.00 per month
On-Peak Energy - Distribution		\$0.03700 per kWh
On-Peak Energy - Power Supply		\$0.21450 per kWh
Off-Peak Energy - Distribution		\$0.00925 per kWh
Off-Peak Energy - Power Supply		\$0.05362 per kWh

Cool Credits Direct Load Control

Smaller businesses with central air conditioners or electric water heaters can earn credits on their monthly bills by allowing us to occasionally shut off or cycle on and off this equipment during times of high demand, such as summer's hottest days.

Air Conditioner 100% Load Shed/Cycling	\$8.00 per month
Water Heating 100% Load Shed/Cycling	\$3.00 per month

Outdoor Lighting

Your business can lease outdoor lighting for a flat monthly rate. The rate includes the poles, equipment, maintenance and the electricity used to operate it.

Outdoor Overhead Lighting - Company Owned		
Sodium Vapor		
9,000 Lumens	100W	\$11.75
14,000 Lumens	150W	\$13.11
27,000 Lumens	250W	\$16.11
45,000 Lumens	400W	\$22.59
9,000 Lumens - Area	100W	\$10.30
14,000 Lumens - Area	150W	\$13.78
27,000 Lumens - Directional	250W	\$21.06
45,000 Lumens - Directional	400W	\$25.20
Metal Halide		
36,000 Lumens-Directional	400W	\$25.19
110,000 Lumens-Directional	1000W	\$45.63
Customer Owned (closed to new customers)		
Sodium Vapor		
9,000 Lumens	100W	\$8.26
14,000 Lumens	150W	\$8.75
27,000 Lumens	250W	\$11.52
45,000 Lumens	400W	\$15.47
LED		
9,000 Lumens (100W) SV equivalent		\$6.44
14,000 Lumens (150W) SV equivalent		\$9.33
27,000 Lumens (250W) SV equivalent		\$12.22
45,000 Lumens (400W) SV equivalent		\$15.10
Non-Standard Facilities		
Wood Poles	\$3.09 per month	
Spans	\$1.44 per month	
Excess Footage - Mast Arm	\$0.14 per foot	

Municipal Power - Sewage Disposal and Water Pumping

This option is available for the operation of sewage disposal and water pumping systems. These customers pay the same rate for each kWh used.

Fixed Charge		
Year Round	\$1.6438 per day	\$50.00 per month
Energy Charge - Distribution		\$0.01471 per kWh
Energy Charge - Power Supply		\$0.08720 per kWh

For businesses with greater than 100 kW demand

Time-of-Use

With Time-of-Use, your business pays more for electricity used during on-peak hours than during off-peak hours. These rates more accurately reflect the price of electricity at the time it's used. A business with less than 100 kW demand, that uses less than 25,000 kWh of electricity per month, may choose from three different pricing options. Customers with 100 kW demand or more for three consecutive months automatically receive Time-of-Use rates for specific time periods.

Interruptible electric rate

Businesses save money by identifying blocks of electric load (at least 200 kW of combined load) that can be interrupted upon notification. These customers receive a discounted demand rate for interruptible loads through a five-year contract.

Demand > 100 kW			
Voltage level	Secondary	Primary	Transmission
Fixed Charge			
	\$4.6685 per day	\$22.1260 per day	\$32.5479 per day
Fixed Charge			
	\$142.00 per month	\$673.00 per month	\$990.00 per month
Customer Demand Charge			
	\$2.950 per kW	\$2.220 per kW	
Substation Transformer Charge			
			0.490 per kVA
Standby Demand Charge			
	\$3.50 per kW	\$2.75 per kW	\$2.00 per kW