

NEWS RELEASE
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AUSTIN UTILITIES Board of Commissioners approve new rates

AUSTIN, Minn.— The Austin Utilities Board of Commissioners approved the 2018 Austin Utilities budget and related rate adjustments at their regular board meeting held November 14th, 2017. The rate adjustments, in the form of an increase, are the result of increasing wholesale energy costs and the continued need to bring aging utility infrastructure up to date. The rate changes will become effective with the January 2018 utility bill.

Electric rates will be adjusted with a 1.5% increase and water rates will be adjusted with an increase of 4.9%. There will be no increase in natural gas rates. Utility staff confirmed the need for rate adjustments through a study performed in September 2016.

The effect of the overall rate adjustment will be an average bill increase of \$2.84 per month for residential customers. About 85% of Austin Utilities current customers are residential. Small to mid-sized business customers can expect to see increases in the range of \$15.72 - \$86.28. “We understand the financial impact these increases have on our customers, and we are working hard to keep costs down,” says Mark Nibaur, General Manager. “Reliability is the number one concern of our customers and keeping our infrastructure up to date allows us to provide reliable service.”

Customers will see a change as costs are shifted from the energy charge to the customer charge. This is to allow the utility to fairly recover distribution costs from all customers. The “customer charge” is a set charge regardless of energy usage. This charge covers the cost to maintain facilities and infrastructure to continue supplying customers with reliable service. This charge can include items such as meters, distribution poles, piping, safety equipment, and account administration.

As a consumer, there are several steps that can be taken to ensure your energy dollars are spent wisely. Austin Utilities Conserve & Save® rebate program offers a full range of rebates on equipment designed to help customers reduce their energy bills. You can contact Austin Utilities Energy Service Department at (507) 433-8886 for more information. Customers may also be eligible for budget billing which allows for even payments each month.

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Austin Utilities is a municipal utility serving approximately 12,300 electric customers, 10,300 natural gas customers, and 9000 water customers. Their mission is to offer utility products and services in a safe, reliable and responsible manner in order to enhance the quality of life in our community. Austin Utilities' Board of Commissioners are elected by the consumer-owners of Austin to represent their best interest. For more information on Austin Utilities visit their website at www.austinutilities.com.