

## AUSTIN UTILITIES Announces no increase in electric or gas rates for 2020

AUSTIN, Minn. — The Austin Utilities Board of Commissioners approved the 2020 Austin Utilities budget and related rate adjustments at the November board meeting. The annual budget is used to set rates. For 2020, customers can anticipate their electric and natural gas costs to remain the same with no adjustments.

“Passing on good news to customers is always a pleasure. We are working hard to keep costs down during a time of reduced energy use while still maintaining our system,” says Mark Nibaur, General Manager. “Reliability is the number one concern of our customers and keeping our infrastructure up to date allows us to continue to provide reliable service.”

A water increase of 4.9% for both residential and business customers will become effective with the January 2020 utility bill. The effect of the overall residential water rate adjustments will be an average monthly bill increase of \$1.48. About 85% of Austin Utilities current customers are residential. Small to mid-sized business customers can expect to see monthly water increases in the range of \$3.32 to \$22.36.

This news comes one year after AU announced an electric rate decrease and flat natural gas rates for 2019. A major factor contributing to the electric and natural gas savings are stable wholesale power costs. “Wholesale power costs make up 74% of our electric operating budget and 62% of our natural gas budget. When these costs remain stable we have better control of costs to our customers,” said Mark Nibaur, General Manager, “We also implemented a long-term prepay contract that provides discounts for future natural gas commodity purchases and we continue to see efficiencies from moving all of our operations to one building.”

The water increase comes as Austin Utilities continues to make investments to their water infrastructure. The largest item in the budget is the replacement of water mains in coordination with city street replacements. “We coordinate water main replacements with the city street replacement plan. This is a big savings for our rate payers as we save the cost of removing the surface,” said Todd Jorgenson, Gas and Water Operations Director. Completion of the Ellis well house refurbishment project, started in 2019, is another major portion of the water budget.

Austin Utilities would like to remind customers that portions of their bill i.e.; sewer charges, storm water fees, and sump pump inspection fees, are controlled by the City of Austin. Changes to those costs are administered by the City of Austin.

Austin Utilities continues to offer ways for customers to save on energy costs and ensure 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. In addition, they offer customers a chance to be Energy Heroes and participate in load reduction on a community level. Customers may also be eligible for budget billing which allows for even payments each month. You can contact Austin Utilities Energy Service Department at (507) 433-8886 for more information.

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Austin Utilities is a municipal utility serving approximately 12,300 electric customers, 10,300 natural gas customers, and 9,000 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](http://www.austinutilities.com).

