

FOR IMMEDIATE RELEASE

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AUSTIN UTILITIES Announces Customers Will See Savings in 2021

AUSTIN, Minn. — The Austin Utilities Board of Commissioners approved the 2021 Austin Utilities budget and related rate adjustments at the December board meeting. The annual budget is used to set rates. For 2021, customers can anticipate an overall savings on their utility bill. Although there will be a 1.9% increase in the water utility, it will be offset by a 1.95% decrease in electric costs and should result in a net savings to customers.

“Passing on good news to customers is always a pleasure. We are working hard to keep costs down during a time of hardship for many customers,” says Mark Nibaur, General Manager. “Our customers rely on us to be there and keeping our infrastructure up to date is critical in allowing us to continue to provide the reliable service they depend on. At the same time, we work to keep our rates competitive and affordable for our community.”

An electric decrease of 1.95% and a water increase of 1.9% for both residential and business customers will become effective with the January 2021 utility bill. The effect of the overall residential water rate adjustments will be an average monthly bill increase of \$0.70. 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 \$1.55 to \$17.50. At the same time, the electric costs will decrease 1.95% resulting in a monthly savings to residential customer of \$(1.37). Small to mid-sized business customers can expect to see monthly electric savings the range of \$(3.08) to \$(82.16).

This is third year in a row Austin Utilities has reported no increases in natural gas rates. Electric costs have decreased two of the last three years. A cost of service study performed in 2020 showed a need to implement a small increase in water rates. Updates to aging areas of our infrastructure continues to be a major driver in the need to increase water rates. The study also indicated a need to increase electric rates but a credit from our wholesale electric provider to be received in 2021 avoided the need for the increase.

Portions of the bill related to sewer charges and storm water fees are controlled and administered by the City of Austin. Changes to these costs are not reported by Austin Utilities.

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