



**AUSTIN
UTILITIES**

Connections for Better Living™



Connections

July 2021
Customer Newsletter

Save Our Community From High Energy Costs



You may not know this, but you have the power to be an Energy Hero and help the Austin community keep power costs under control. Energy Heroes receive notices for utility peak alerts and follow a few simple energy saving actions to reduce energy usage. During peak energy alert days we can work together to be more powerful.

Why Respond To Peak Alerts?

Over half of the wholesale power bill paid by Austin Utilities is “demand” charge determined by the highest peak usage of the previous summer (June – September). A utilities annual peak has a huge impact on costs for the entire year. If every customer could help their utility reduce load by just one kilowatt during a peak the entire community benefits with lower energy costs.

What Can I Do to Respond To Peak Alerts?

Even though some actions seem small, the cumulative impact when more customers participate can be substantial.

- ◆ Turn up your AC during peak times
- ◆ Turn off non-essential lights
- ◆ Turn off unnecessary fans or AC units
- ◆ Turn off computers not being used



How to Sign Up for Peak Alerts

If you are a residential customers, just send an email to PeakAlert@austinutilities.com with “Add me to your list” in the subject line.

Business customers can sign up too and get special recognition for their business including a Participation Decal and your name listed on our website as an Energy Hero.



Is My Air Conditioner Being Controlled?

To help control system peaks, Austin Utilities installs air conditioning (AC) load control devices outside on your central AC. These devices help reduce demand for electricity during peak times by cycling the compressor on your AC off for a few minutes each hour while allowing your fan to continue circulating cool air. Also known as peak shaving, this practice can save customers energy and money. To learn whether AU is controlling central AC units, you can like us on Facebook to see our notifications, or you can check the resources on our website to learn how to read the light controls on the unit installed on your home.

**Austin Utilities
Board of Commissioners**

Thomas C. Baudler
tbaudler@baudlerlaw.com

Jay Lutz
jkultz@charter.net

Jeanne Sheehan
jsheehan1445@gmail.com

Steve Greenman
greenman@greenmanhvac.com

Kristin Johnson
Johnson.kris2@mayo.edu

**AUSTIN UTILITIES
WILL BE CLOSED
MONDAY, JULY 5TH
IN CELEBRATION OF
INDEPENDENCE DAY**

2021 Residential Rate Report



Utilities are often natural monopolies because of the large investment that is required to produce, maintain and deliver electricity, natural gas, and water to our communities. This report is being provided to educate customers on our rates. Rates are reviewed and set annually based on the income needed to cover the cost to serve.

Rate Design Rates are designed to recapture the costs associated with each customer class: residential, commercial, and industrial. Rate designs typically include a Service Availability Charge (to cover fixed costs) and a Usage Charge (to cover variable costs).



Service Availability – FIXED COSTS

Service Availability covers the cost of our distribution system which is how we connect with your home. It does not fluctuate with consumption but is a necessary cost to be sure you have service when you want it. Many customers are confused by this charge because when consumption is low it can sometimes cost more than the usage charge. This charge covers costs such as:

- Meters
- Customer Service
- Meter Reading
- Administration
- Billing and Collections
- Poles and Pipes



Usage Charge – VARIABLE COSTS

Usage costs are calculated according to the metered amount of usage consumed during the billing period. Meters are read monthly for each service provided and the amount consumed is multiplied by the current rate. This charge covers costs such as:

- Electric Commodity
- Water Pumping
- Water Treatment
- Water System Maintenance
- Natural Gas Commodity
- Natural Gas System Maintenance
- Electric System Maintenance

2021 Austin Utilities Residential Rates		
2021 rate changes: Electric 1.95% decrease / Natural Gas 0% / Water 1.9% increase		
	Monthly Service Availability Charge	Usage
Electric	\$14	\$0.11350 (kWh)
Natural Gas	\$17	\$0.6074 Apr-Oct, \$0.8032 Nov-Mar (ccf)
Water	\$16.20	\$1.56 May-Oct, \$1.11 Nov-Apr (ccf)

26% of the electricity delivered by AU in 2020 was provided from **Renewable Energy Sources.**



One kWh of electricity = 1,000 watts used for one hour
One ccf of gas = 100 cubic feet
One ccf of water = 748 gallons

2021 City of Austin Residential Rates		
2021 rate changes: Sewer 7% increase / Storm Water Fee 0%		
	Monthly Fixed Charge	Usage
Sewer	\$14.06	\$3.60 (ccf)
Storm Water Fee	\$4.00	–

As a convenience we also bill some services provided by the City of Austin.

Any questions about these charges should be directed to the City of Austin by calling **(507) 437-9940.**

Historical Utility Cost Per Day (based on average AU residential use)



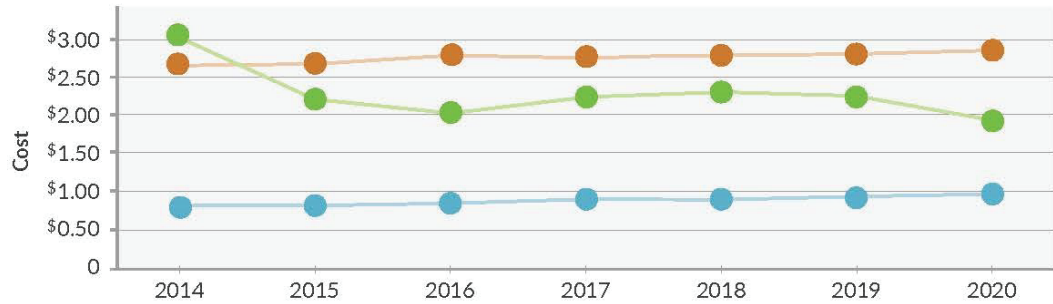
Electric
\$2.82 (2020)



Natural Gas
\$1.92 (2020)



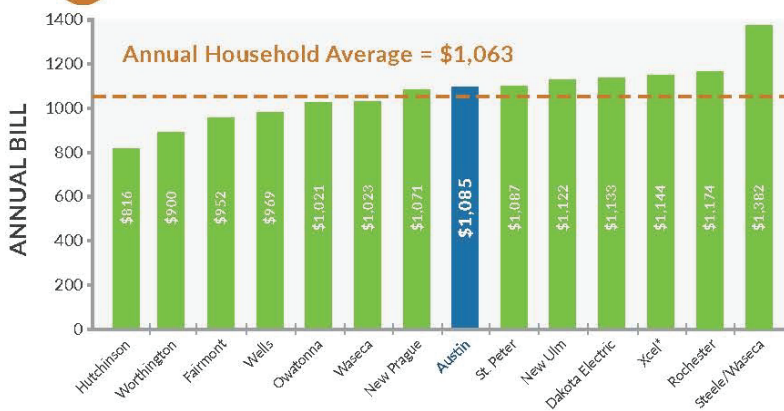
Water
\$0.98 (2020)



Annual Cost Comparison to other local communities (based on rates from Jan–Dec 2020)



Residential Electric Cost Comparison

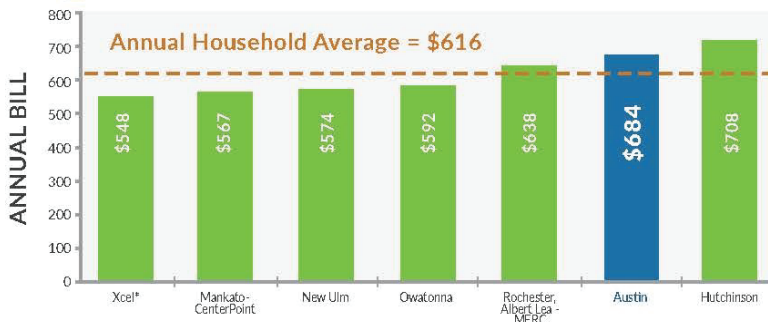


AU annual electric costs are average compared to other local communities, but our reliability exceeds industry standards. Austin Utilities is in the top 25% of utilities for System Average Interruption Duration Index (SAIDI) based on EIA data, qualifying us for the 2020 Certificate of Excellence in Reliability from the American Public Power Association.

*Xcel Includes; Fairbault, Mankato, Northfield and Red Wing



Residential Gas Cost Comparison



MN customers depend on natural gas for winter heating. As a public utility, AU continues to offer services not available from other gas companies such as lighting gas appliance pilots and installing thermocouples. In 2021, we earned the prestigious APGA System Operational Achievement Recognition (SOAR) for excellence in operating our natural gas utility.

*Xcel Includes; Fairbault, Mankato, Northfield and Red Wing



Residential Water Cost Comparison



AU was able to make major investments in the Ellis water tower, yet continue to maintain lower water rates. Operating costs remain low in part due to the high-quality water supply. Little treatment is needed before water is delivered to our customers.

We welcome your comments at talk2AU@austinutilities.com or by calling 507.433.8886

Let's Save Energy

Minnesota summer is here and things are about to get hot. When the temperature rises, so does your electric bill. Here are some easy ways to keep your home cool and save on your energy costs.

- Change the indoor air filter on your cooling equipment.
- Use ceiling fans to move cool air through your home.
- Keep blinds and curtains closed during the daytime to keep the hot sun out.
- Use caulk or weather stripping to seal drafts from doors and windows.
- Dry laundry on a clothesline.
- Cook meals with a microwave or grill outdoors.
- Dress for the weather, wear light weight clothing to help you stay cool.
- Planting a tree for future shade on the east or west side of your home or AC unit.



NOTICE

In compliance with the Code of Federal regulation #49, Part 192.16, Austin Utilities must notify each customer who owns buried natural gas piping after the meter.

1. Austin Utilities does not maintain the customer's buried piping.
2. If the customer's buried piping is not maintained, it may be subject to the potential hazards of corrosion and leakage.
3. Buried gas piping should be:
 - (a) periodically inspected for leaks.
 - (b) periodically inspected for corrosion if the piping is metallic.
 - (c) repaired if any unsafe condition is discovered.
4. When excavating near buried gas piping, the piping should be located in advance, and the excavation done by hand.
5. Austin Utilities and plumbing and heating contractors, can assist in locating, inspecting, and repairing the customer's buried piping.

Customers with buried natural gas piping should feel free to contact Austin Utilities at 433-8886. You can also find information at www.austinutilities.com.

Let's Get Rebates

Air Conditioning Clean and Tune

Just as a tune-up for your car can improve your gas mileage, a tune-up of your cooling system can improve efficiency and comfort.

Rebate: \$25

Smart Thermostat

A programmable "Smart" thermostat is ideal for people who are away from home during set periods of time. Through proper use of pre-programmed settings, a programmable thermostat can save you about \$180 every year in energy costs.

Rebate: \$50

Cooling Equipment

If your HVAC equipment is more than 10 years old or not keeping your house comfortable, have it evaluated by a professional HVAC contractor. If it needs to be replaced, consider replacing it with a unit that has earned the ENERGY STAR.

Rebate: starting at \$100

Because we all benefit when we Conserve and Save.

CONSERVE & \$AVE[®]

The Austin Utilities Board of Commissioners

Monthly Meeting was held on June 15th, 2021.

Agenda items included:

- Update on NE Plant demolition
- COVID and customer arrears

Meeting minutes are available at www.austinutilities.com

Austin Utilities

1908 14th St NE Austin, MN 55912

Office: 507-433-8886

Email: talk2au@austinutilities.com

Website: www.austinutilities.com

