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Kaukauna Utilities Lowers Electric Rates

Utility's Cost-Effective Hydropower Delivers Benefits for Customers

January 31, 2019 – Customers of Kaukauna Utilities will soon see their electric rates drop by 3.51 percent.

“Affordable service has always been our priority, and Kaukauna Utilities’ electric rates are consistently among the lowest in Wisconsin,” said General Manager Jeff Feldt. “We are pleased to be able to deliver these additional savings to customers.”

The new rates take effect on February 1 and will be reflected on the bills customers receive beginning mid-February. The Public Service Commission of Wisconsin (PSCW) issued its final order this week approving the decrease.

The decision brings to a close a PSCW proceeding initiated in July 2017 and amended in October 2017 following the receivership and sale of Appleton Coated, which was by far Kaukauna Utilities’ largest customer. The new owner, Midwest Paper Group (MPG), now powers most of the mill’s needs with an onsite generator. The resulting reduction in electric sales required the locally owned, not-for-profit utility to re-evaluate its revenues and rates.

Feldt credits Kaukauna Utilities’ investment in local hydropower resources as the biggest factor offsetting the impacts from the lost revenue. The utility owns and operates seven hydroelectric facilities along the Fox River. Now that the utility provides less power to

the mill, Kaukauna Utilities' other customers receive a greater percentage of the lower-cost local hydro power.

"Our local, emissions-free hydro facilities are Kaukauna Utilities' lowest-cost power supply resource, and the electricity they generate meets more than a quarter of our customers' total needs," says Feldt. "This helps significantly to keep bills down for everyone we serve."

In addition to lowering rates for customers, the PSCW order enables Kaukauna Utilities to provide backup power for MPG during periods when the mill's generator is not running. The order also ensures that all other customers are protected from the costs associated with higher demand placed on the Kaukauna Utilities system during such periods.

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About Kaukauna Utilities

Kaukauna Utilities is a locally-owned, not-for-profit utility serving 15,500 electric and 6,500 water customers in the Kaukauna area. Learn more at www.ku-wi.org.