



What is commitment to community?

As Act 9 was being written, MPU's interests were strongly represented through our association with the Municipal Electric Utilities of Wisconsin (MEUW). A strong argument was made that because of the unique relationship and high level of accountability municipal utilities have to their customers, municipal utilities should have the opportunity to administer public benefits funds within their communities, rather than paying into the state fund.

It was also feared that because of the state-wide program's focus, most of the money would channel to areas of high population densities, away from smaller communities like ours. As a result, the legislation contains language permitting municipal utilities to offer "commitment to community" programs, in which all of the local funds collected through public benefits stay within the community.

Since MPU is a municipal electric utility, and we have the option of keeping these funds local, we will administer our own "Commitment to Community" program to meet the objectives of low-income assistance and energy conservation, rather than participate in the state-wide program as required of the large private utilities.

How do I know where our money is going?

To comply with Act 9, we are required to report to both our customers and the Department of Administration each year. The report will contain a summary of collection and expenditures for the previous year.

Manitowoc Public Utilities' Commitment to Community Program

Manitowoc Public Utilities is a community resource. Our purpose is to provide reliable service, reasonable rates and value to our customers. We have operated on these basic principles for the past 86 years and renew our commitment to do so in the future, as we meet the challenges of the changing electric industry, in part through our Commitment to Community program.

Residents can begin looking for these new Commitment to Community Programs beginning in January, 2001. Programs will include new energy conservation initiatives and low income energy assistance programs.

For more information or if you have any questions about this new charge, please contact an MPU customer service representative at 683-4600.

Manitowoc Public Utilities



MANITOWOC PUBLIC UTILITIES

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Public Benefits



State of Wisconsin Public Benefits Fund & Manitowoc Public Utilities Commitment to Community Program



MANITOWOC PUBLIC UTILITIES

Important Note to Customers Regarding a New Charge

on Electric Bills



Beginning this month, your electric bill includes a new line item: "Public Benefits Fee." This new charge is being collected by Manitowoc Public Utilities as required by the State of Wisconsin Act 9. The money will be set aside in a special

account and used specifically to fund "Public Benefits" programs in our community. These programs will include energy assistance and weatherization programs for income-qualified households, and conservation programs to encourage efficient use of energy.

What's Changing?

The electric industry is changing. For the past five years, the State of Wisconsin has been exploring how best to restructure the electric industry for the benefit of all customers. While some states, such as California, simply enacted a comprehensive electric deregulation bill all at once, Wisconsin is taking a more deliberate approach in seeking necessary changes to the industry, one step at a time, prior to examining potential deregulation.



What are Public Benefits?

One of the areas of change is what is called "public benefits." Act 9, signed into law on October 29, 1999, provides a new framework for public benefits in Wisconsin. In the days of regulated utility collection practices, low income customers were protected through rules of the Public Service Commission. As the industry moves to deregulation, we need to ensure that no one "falls through the cracks" as utilities seek to minimize cost to maximize competitiveness. The same is true for programs designed to encourage the efficient use of energy.

Under Act 9, a "public benefits" fee to pay for these programs will be assessed to all electric customers in Wisconsin. Large, investor-owned utilities must turn this money over to the state fund, administered by the Department of Administration. Municipal electric utilities, such as Manitowoc Public Utilities, must collect these new fees, as well, but have the option to administer their own "Commitment to Community" program.



What does it mean for me?

Beginning with your October 2000 electric bill, you will see the new charge titled "Public Benefits Fee" on your bill. In accordance with the State of Wisconsin Act 9, Manitowoc Public Utilities will assess the following fees:

Rg-1 Residential Service	\$0.0018/kWh for the first 800 kWh \$1.44 maximum per month
Cg-1 General Service	\$0.0018/kWh for the first 10,000 kWh \$18.00 maximum per month
Cp-1 Small Power Service	\$20.00 per customer per month
Cp-2 Intermediate Power TOD Service	\$20.00 per customer per month
Cp-3 Large Power TOD Service	\$70.00 per customer per month
Cp-4 Industrial Power TOD Service	\$70.00 per customer per month

Act 9 states that each municipal electric utility must collect an annual amount based on the number of electric meters served. MPU's target amount for 2001 is \$270,000. We have designed the fees so that a customer's total electric charges will increase by less than 3% over the next 8 years in meeting the fee collection requirements of Act 9. These fees are not subject to Sales Taxes.

