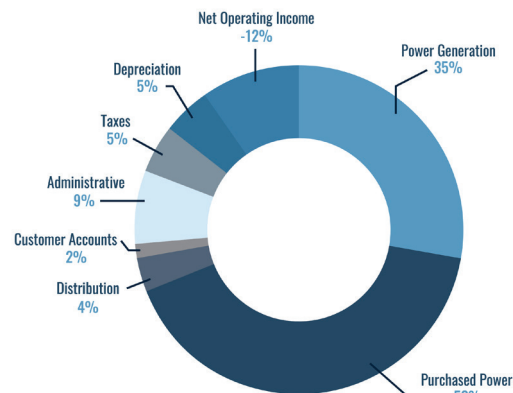


FINANCIAL HIGHLIGHTS

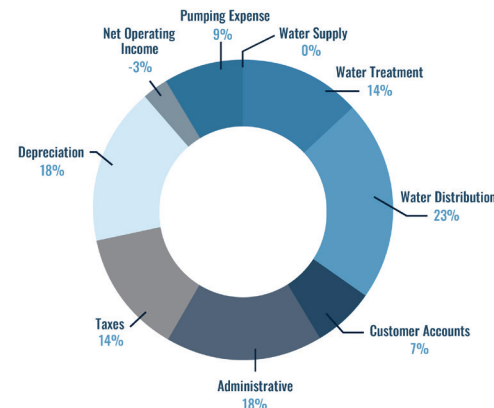
	2023	2022	2021	
ELECTRIC	Electric Revenues - Retail	\$43,002,811	\$40,488,117	\$37,197,036
	Electric Revenues - Wholesale	\$10,018,454	\$27,037,246	\$25,510,154
	Number of Electric Customers	18,511	18,473	18,369
	Megawatt-hours Sold - Retail	514,574	524,467	532,692
	Megawatt-hours Sold - Wholesale	168,030	298,248	241,124
	Peak Electric System Demand	110	103	107
	Miles of Distribution Line	240	238	237
	Average Net Plant Investment	\$92,719,565	\$85,130,437	\$85,979,519
	Payment In Lieu of Taxes (PILOT)	\$2,413,596	\$2,952,990	\$2,988,653
WATER	Water Revenues - Retail	\$4,841,694	\$4,730,873	\$4,814,347
	Water Revenues - Wholesale	\$2,208,571	\$2,069,951	\$2,057,918
	Number of Water Customers	14,063	13,962	13,881
	Gallons of Water Sold (X 1000) - Retail	1,703,586	1,657,263	1,714,927
	Gallons of Water Sold (X 1000) - Wholesale	2,598,808	2,482,482	2,440,864
	Miles of Water Main	192	192	187
	Number of Hydrants	1,380	1,345	1,401
	Average Net Plant Investment	\$47,746,075	\$45,307,564	\$46,076,713
	Payment In Lieu of Taxes (PILOT)	\$862,267	\$979,895	\$957,588
WASTEWATER	Wastewater Service Revenues	\$6,256,218		
	Gallons Treated (X 1000)	2,430,900		
	Average Net Investment Rate Base	\$18,628,477		
	Outstanding Facility Debt Balance	\$7,187,255		
	Natural Gas Consumed (CCF)	128,120		
	Methane Consumed (CCF)	200,594		
	Methane Flared (CCF)	115,060		
	Total Methane Produced (CCF)	315,653		
	Natural Gas: Methane Consumed	63.90%		
Natural Gas: Methane Produced	40.60%			

Historical data not displayed until future years.

ELECTRIC



WATER



2024 PLANNED ACTIVITIES

As MPU embarks on 2024, we've aligned our initiatives under five strategic Areas of Focus: **Workplace Culture, Operational Excellence, Financial Excellence, Customer's Experience, and Governance/Management Excellence.**

WORKPLACE CULTURE

Our employees are the heart of MPU. We will focus on succession planning and employee development to strengthen the culture and plan for the future.

OPERATIONAL EXCELLENCE

As a public service provider of electric, water, wastewater treatment, steam, and broadband, MPU is intentional about embarking on projects that add value to the community. A few of our top projects for 2024 are:

- Electric Resiliency Project
- Manitowoc Refuel Renewable Project
- Wastewater Treatment Facility Stack Filter & Clarifier Rehab Project
- Water Treatment Plant Capacity Analysis

FINANCIAL EXCELLENCE

MPU will be focusing on developing internal and external Key Performance Indicator dashboards to aid in measuring the health of the organization as well as prioritize our strategic outcomes.

CUSTOMER'S EXPERIENCE

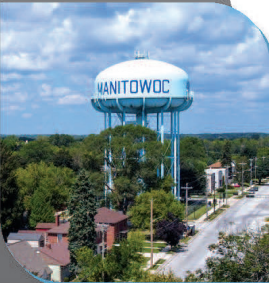
MPU is focused on engaging our customers through three initiatives in 2024:

- New "My Account" customer portal and app
- Enhanced after-hours call center
- Rollout of a Net Promoter Score survey

GOVERNANCE/MANAGEMENT EXCELLENCE

With the adoption of the Commission Policy Manual in 2023, MPU is focused on developing a comprehensive Management Policy manual that will encompass all of the policies that have been replaced due to the rollout of the Commission Policy Manual.

ANNUAL REPORT 2023





LETTER FROM MANAGEMENT

Manitowoc Public Utilities is governed autonomously by a seven-member Commission. Five members are citizens appointed to five-year terms by the City Council, another member is an Alderperson appointed to serve on the Commission, and the final Commissioner is the Mayor. All seven members of the Commission have voting rights. Public utilities are unique in that members of the community are the governing body creating local control for the area we serve unlike utilities governed by shareholders seeking a profit.

The Commission has seen great stability in membership over the years where many Commissioners serve multiple terms. However, in 2023, MPU welcomed two new members to the Commission. In January, Scott McMeans was appointed by Council to the Commission filling the seat vacated by Dave Luckow who had served for 22 years. Scott had previously served on Council and brings business expertise to the governing body. In November, Betsy Roberts was appointed filling the seat vacated by Mark Seidl who had served for 25 years. Betsy brings technical expertise and industrial customer perspective to the Commission.

Although unusual to have this level of turnover on the Commission, there was considerable effort made to ensure a smooth transition. Developed and approved in 2023, the Commission has adopted a comprehensive Commission Policy Manual which documents purpose, governance style and role, and relationship between governance and management. Additionally, this policy manual establishes the framework for how the Commission sets organizational goals and measures results. This undertaking provides expectations for how the Commission leads through governance and how the Commission ensures that MPU achieves the desired results for the right people, in the right way. We're grateful for our board members dedication to our community.



Troy Adams, P.E.
General Manager

MANITOWOC REFUEL RENEWABLE PROJECT

MPU initiated the Manitowoc Refuel Renewable project in 2021, which consists of refueling our two existing boilers, Boilers 8 & 9, from burning primarily fossil fuels to burning 100% Wisconsin-recognized renewable fuel pellets. While MPU saw great success in 2023 by facilitating an expansion at an existing pelletizing facility to increase pellet production and by securing a lease on a dry storage facility for pellet storage, this is an ongoing project with many milestones.

As we move into 2024, MPU will be analyzing upgrades to our power plant fuel handling system to improve efficiencies with the transition from fossil fuel handling to fuel pellet handling. Additionally, MPU will be working towards executing a contract for local construction of an additional pelletizing facility with production starting in 2025. Time will also be spent on exploring a wet raw material (sludge) drying facility to increase raw material options for fuel pellets.

This project continues to be one of MPU's top priorities as it brings significant benefits to our community: cost control, sustainability, grid resiliency, and local control.



COMMUNITY SOLAR GARDEN



In 2022, a tariff was approved by the Public Service Commission of Wisconsin (PSCW) to allow MPU, in conjunction with GRNE Solar, to build a 1,000 KW community solar garden facility. After overwhelming public interest in the program, MPU filed for an expansion in 2023. The PSCW approved the expansion to 1,500 KW. While there are other community solar gardens in Wisconsin, the innovative way this subscription-based program was designed makes it a first-of-its-kind program.

Why is this project important? This Community Solar Garden program will allow our customers to experience the benefits of solar without the upfront costs that rooftop solar requires. This is a 20-year project offered to current MPU customers on a subscription first-come, first-serve basis. Blocks of solar are available in 1KW increments up to 20KW. Construction at the site began in the fall of 2023 with an anticipated live date of early summer 2024. **If you're interested in being a part of this program, please call us at 920-683-4600.**

2023 KEY ACCOMPLISHMENTS

In order to respond to customer expectations and expand our customer service offerings, MPU completed a full website redesign with the addition of a live chat option. MPU also saw the transition of MPU Management and Accounting Services for Great Lakes Utilities to a new service provider in order to fully allow MPU to focus on the success of the Manitowoc Refuel Renewable Project.

MPU facilitated an expansion at an existing pelletizing facility to increase fuel pellet production by 33% to be used in our power plant boilers. A dry storage facility was also secured to house one month's worth of fuel needed to operate both boilers.

Electric Distribution installed a 4 KV distribution stepdown transformer as a backup supply to the downtown area. Additionally, an Electrical System Study was updated to reflect load changes and projections for the next 5-10 years.

The Water Department performed drinking water quality sampling for PFAS as required by the Wisconsin Department of Natural Resources and the Environmental Protection Agency. All sampling results were well below recommended standards.

The Wastewater Treatment Facility nearly finalized their automation project which entailed replacing outdated systems and adding monitoring equipment. The completion of this project will eliminate the need for manned third shift operations.