

Waverly Utilities Receives Diamond Status for Reliable Electric Operations

Waverly Utilities is among utilities nationwide to earn the American Public Power Association's "Reliable Public Power Provider (RP3®)" designation. This is the second time Waverly Utilities will hold the highest level of Diamond.

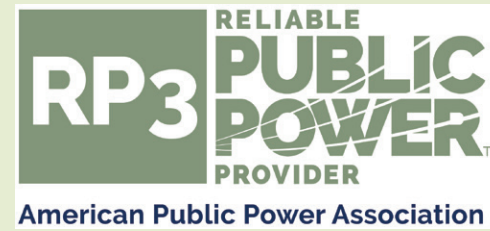
The RP3 designation recognizes public power utilities that provide customers with the highest degree of reliable and safe electric service. Diamond

status is achieved with a final overall score of 98-100%.

The RP3 designation recognized Waverly Utilities for proficiency in four key disciplines: reliability, safety, workforce development and system improvement. Criteria within each category are based on sound business practices and represent a utility-wide commitment to safe and reliable delivery of electricity.

"Utilities that have earned APPA's RP3 designation are implementing best practices for the industry and are a testament to public power's commitment to serving their community," said Darrel Wenzel,

CEO of Waverly Utilities. "We're honored to receive the RP3 Diamond designation for a second time in a row."



theConnection

Powering the color of life

2018 | Q2



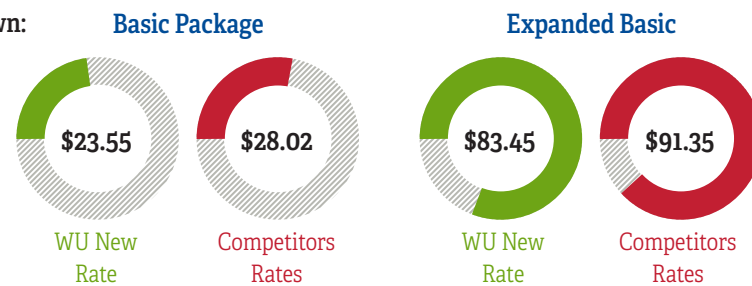
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- Diamond Status
- Updated Telecom Rates

Updated Telecom Rates

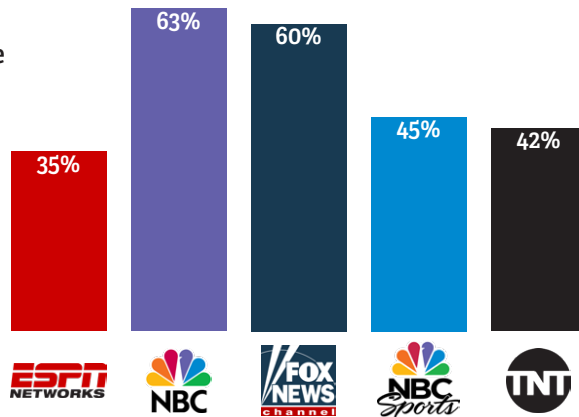
Due to broadcast rate increases, WU telecom customers may see a rate increase on services beginning July 1, pending board approval during the June Board of Trustees meeting. "Since the launch of telecom in 2016, we've held our rates steady," said Jeff Magsamen, director of telecom at WU. "Unfortunately, that's not the case for the programming costs of the channels we purchase."

The new rate breakdown:



"In 1992, the federal government passed the Cable Act, which basically gives local and national broadcasters all the leverage in contract negotiations," said Magsamen. "If we don't agree to their terms, including price increases and adding new content, we are forced to drop their channels. It's a frustrating situation both for our customers and for us as a provider."

Popular channels and their rate increases from 2016-2020:



"While no one wants a rate increase, we are doing our best to remain competitive and offer the best value possible," said Magsamen. "For less than \$2.80/day, we provide 85 entertainment channels, as well as free streaming on mobile devices and the popular CatchUp/Restart feature. Our local customer service experts are always on hand to help with any issues you may have."

Pro Tip: When troubleshooting your cable, do not push the reset button on the back of the WU box. Instead, call us for service help 24/7 at 319-559-2000. We'll respond ASAP.

On The Lines



Waverly Utilities customer service specialist, Monica Welsh, helps a telecom customer pay their bill using the new credit card machine.



Board of Trustees

Chairman, Jere Vyverberg
 Vice Chair, Emily Neuendorf
 Trustee, Ann Seggerman
 Trustee, Bob Buckingham
 Trustee, Bob Brunkhorst

Board meetings are held the second Tuesday of each month at 1:00 p.m. at Waverly Utilities, but may be subject to change. Please call ahead to verify schedules. They are open to the public and all are welcome.



1002 Adams Parkway
 Waverly, Iowa 50677
 319.559.2000
 www.waverlyutilities.com

Community Solar Garden Deemed Unfeasible

The sun is setting on Waverly's "Let's Grow Solar" community solar garden project.

"We began this project with one main tenet in mind – only those customers interested in solar would be involved in the costs," said Jere Vyverberg, Waverly Utilities board chair. "The cost encompassed all construction, infrastructure, marketing, feasibility and attorney fees. There would be no cross-subsidies from other rate-payers. Once we factored in the final bid prices, the total project costs were simply too high to continue at this time."

Sealed bids were due May 1. After opening the bids and tabulating all associated costs, the price per solar panel was significantly higher than projected. The original feasibility study listed costs of \$480-\$515, and a later customer survey showed Waverly residents were willing to pay a maximum of \$555 per panel. The actual costs came in at \$740.

"In addition to the costs, we also had lower participation than anticipated," said Vyverberg. "To successfully move the project forward, we needed 75% participation, or 1,125 panels sold of the 1,500 planned. We were at 17%. That tells us Waverly is not quite ready for a community solar garden at this time."

Waverly Utilities remains dedicated to exploring clean energy alternatives and will continue to monitor solar costs to see if the project becomes viable in the future.

"We'd like to thank everyone who supported the project and showed excitement for the possibility of solar in Waverly. With the work accomplished thus far, we've got a solid foundation for growth in the future," said Vyverberg.

Behind the Scenes



Meet Matt Dittmer, Network Engineer

What does your position entail?

■ I maintain the infrastructure equipment that's responsible for the availability of the telecom services we offer – video, internet and voice.

When did you start at Waverly Utilities?

■ Moving back to my home town of Waverly, I started October 2015. Previously I worked for the University of Minnesota with the voice and data technical assistance center. I graduated from Wartburg College in 2007 with a computer information systems degree.

Tell us a little about yourself.

■ I really enjoy professional development. I recently re-certified in Cisco Certified Network Associate Routing & Switching. I am currently working on a certification for CompTIA Security+.

What is one unexpected fact about you?

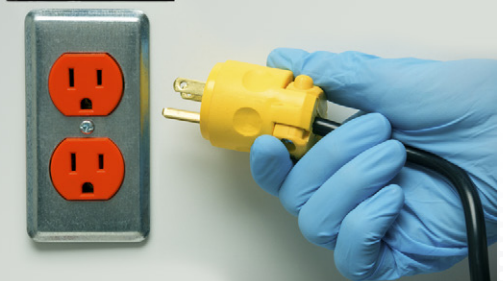
■ I love board games! I play them several times a week with friends.

We're Here to Assist!

Did you know? Customers with health issues requiring electrically-powered medical equipment should contact Waverly Utilities. We will give life support customers special consideration when planned outages occur in your neighborhood and alert our employees to your needs.

In addition, if you need something special to use your telephone or our voice services, we are here to assist your needs. Please call 559-2000 to let us know how we can assist you.

LIFE SUPPORT
DO NOT UNPLUG



Introducing Your New Bill

Why make a change?

More flexibility and annual cost savings - that's the driving force behind the upcoming billing changes this summer at Waverly Utilities and the City of Waverly.

The transition is the culmination of three years of planning. While researching the addition of telecom services, Waverly Utilities realized their current billing system (handled through the City of Waverly) was incapable of handling telecom options and began to research new providers.

"We considered it a cost-savings effort for our customers. Instead of paying the city \$20,000 a month, could we bring all our billing in-house," said Darrel Wenzel, CEO of Waverly Utilities. "We searched for a system that not only allowed for the flexibility required for telecom, but could also handle electric. The product we discovered has the capability to cover everything currently billed by the city as well - sewer, water and garbage."


In 2015, Waverly Utilities notified the City of Waverly billing would be brought in-house some

time in 2018, providing them three years notice. They also offered the option to collaborate with the city, moving all the billing to Waverly Utilities and offering a one-stop shop to Waverly citizens. The city agreed and planning began.

When will it switch?

The new billing system will transition in July, with expanded options such as online payments, credit card payments, customized billing dates and more available beginning in August.

Explore your new bill...



1002 Adams Parkway
Waverly, IA 50677
Phone: 319-559-2000

Customer Statement Page 1 of 2

Name: Waverly Customer
Bill Account Number: 700000-000000
Invoice Number: 12345
Payment Due: 8/15/18
Billing Date: 7/25/18

1

Location: 100000 - Utility - 123 Main Street, Waverly

City of Waverly

Sanitary Sewer Service						
Meter	Present	Previous	Multiplier	Usage	Rate Calculation	Amount
123456	47969	47669	1	300	300 CU FT @ 0.0534	\$16.02

Water Service 5/8" to 3/4" MTR						
Meter	Present	Previous	Multiplier	Usage	Rate Calculation	Amount
123456	47969	47669	1	300	300 CU FT @ 0.0449	\$13.47

Refuse						
Item	Quantity	Rate	Amount			
Garbage - 35 Gallon Container	1		\$15.90			
Local Option Tax			\$0.41			
Iowa State Tax			\$0.81			
Total City of Waverly			\$46.61			

Waverly Utilities

Residential Service						
Meter	Present	Previous	Multiplier	Usage	Rate Calculation	Amount
342681	29046	28546	1	500	500 KWH @ 0.1136	\$56.80
					Energy Cost Adjustment	\$1.77
Total Waverly Utilities			\$77.34			
Total New Utility Charges			\$123.95			
Previous Balance			\$110.00			
Payment - Thank you!			-\$110.00			
Current Balance Forward Location: 100000			\$77.34			
Balance Due Location: 100000			\$123.95			

2

Waverly Communications Utility

Phone Services		
6/25/18 - 7/25/18	Triple Play Phone (\$29.95/MONTH)	\$29.95
Phone Taxes and Fees		
	Local Option Tax	\$0.25
	E911 Fee	\$1.00
	USF Fee	\$1.25
	Iowa Sales Tax	\$1.50
Internet Services		
6/25/18 - 7/25/18	Standard 100/100 Internet (\$59.95/MONTH)	\$59.95
Video Services		
6/25/18 - 7/25/18	EXP BASIC CABLE TV (\$83.45 /MONTH)	\$83.45
	Local Option Tax	\$0.79
	City Franchise Fee	\$3.93
	Iowa State Tax	\$4.71
Total New Waverly Communications Utility		\$186.78
Statement Summary: Location 111111		
Previous Balance		\$171.78
Payment - Thank you!		-\$171.78
Triple Play Phone Discount		-\$5.00
Triple Play Disc. 100 mb Internet		-\$5.00
Triple Play Video Discount		-\$5.00
Total Balance Forward: Location 111111		\$171.78
Statement Summary: Location 700000		
Total Current Charges		\$123.95
Total Balance Due		\$295.73

4

5

Please detach and include this coupon with your payment.



1002 Adams Parkway
Waverly, IA 50677
Phone: 319-559-2000

Remittance - We appreciate your business!

Name	Waverly Customer
Bill Account Number	700000-000000
Invoice Number	12345
Payment Due	8/15/18

Amount Enclosed:

Total Amount Due:
\$295.73

Waverly Customer
123 Main Street
Waverly, IA 50677

Waverly Utilities
P.O. Box 806
Waverly, IA 50677

6

AutoPay is Setup
Do Not Pay

7

1 CUSTOMER INFORMATION

You will find your bill account number in this section. This is a new number as your old account number is no longer applicable. Please make reference to your new number on all forms of payment.

2 CITY OF WAVERLY SERVICES

This section will feature sanitary sewer, water and refuse services. Itemized usage and rates are shown for each service.

3 WAVERLY UTILITIES SERVICES

The energy total is for the amount of energy a customer consumes each month. Rate calculations vary per usage and time of year.



ALWAYS CALL
BEFORE YOU DIG

4 WAVERLY COMMUNICATIONS SERVICES

This section will feature your telecom services: phone, internet and/or video. It explains what phone, internet and video services you have as well as shows your discounts if you are a double or triple play subscriber.

5 TOTAL AMOUNT DUE

The total amount due is the City of Waverly, Waverly Utilities and Waverly Communications Utility charges.

6 PAYMENT COUPON

To make a payment, you will fill out, detach and return this section with your check or money order. The easiest and fastest way to pay is online. Sign up for Auto Pay or pay online by visiting www.waverlyutilities.com.

7 AUTO PAY

Customers who choose to use the Auto Pay bill pay plan will see this statement on their bills.

**Please note: Every customer statement will look different depending on the services they subscribe to. If you have any questions about your statement, we'll be happy to walk you through it.*