It’s a challenging time for the utility industry. Rising costs and a volatile economy are causing utilities nationwide to raise rates. Waverly Light and Power is committed to maintaining the reliable electric service our customers have grown to enjoy while keeping costs stable. Waverly Light and Power is working diligently through numerous initiatives including renewable energy investments, energy efficiency programs, and preparing for a new power supplier to do just that; keep costs stable.

The demand for electricity is at an all-time high. Population growth across the country, coupled with the growing use of computers, electronics, and other at-home technologies, will increase that demand in the future. Waverly Light and Power is continuing its reputation for reliability by meeting that demand, and offering energy efficiency programs to help reverse it. From rebates and educational tools to home energy audits, Waverly Light and Power is helping customers save money by saving energy.

Another challenge we face involves the skyrocketing cost of fossil fuels used to generate electricity including coal and natural gas. As the first municipally owned utility in the Midwest to own and operate wind generation, Waverly Light and Power is taking a progressive approach to expand our energy sources to include cleaner renewable energy options. We set a benchmark – 20% renewable by 2020 – to measure our progress. Today, Waverly Light and Power is on track to achieve this goal, most recently by expanding our wind generation capacity.

From the recent floods of 2008 to the most pressing issues facing the utility industry today, Waverly Light and Power is ready to respond by managing each situation effectively with our customers in mind.

Reliability and innovation are our legacy, and it’s what we’re proud to provide now and in the future.

Sincerely,

Diane Johnson
General Manager
Reliability During the Flood

The flood of 2008 may have sent shock waves through the Waverly community, but the effect on Waverly Light and Power’s reliability was small. How our team responded to this crisis was a true testament to that. As the floodwaters rose, our crews worked around the clock to keep the power on in areas not effected by the flood, while responding to nearly 1,000 homes and business who needed to have their power shut off for safety reasons.

For years, Waverly Light and Power has worked hard to have as few customers on an electric line as possible, and those efforts paid off during the flood of 2008. Crews monitored river levels and managed to isolate areas with flooding to reduce power outages. The safety of the community and our employees came first as our crews diligently followed all emergency guidelines during the disaster.

Waverly Light and Power is no stranger to weather-related issues. Time after time, our team has pulled together and met the challenge, and the flood of 2008 was proof of that.

Recovery for the community will be long-term as businesses and families continue to work with the aftermath of the historic 500 year flood. Waverly Light and Power will continue to be part of the solution by restoring power to homes as they are refurbished.

Efficiency Efforts Pay Off

Although the flood of 2008 took an emotional and financial toll on the community of Waverly, the disaster opened new energy efficiency opportunities during the recovery process. The Waverly Light and Power Board of Trustees and staff took quick action to change energy audit rules and rate structures to encourage energy efficiency when homes and businesses made improvements and appliance upgrades after the flood.

Energy efficiency efforts in Waverly have resulted in a demand reduction of more than three megawatts since the programs began in 1991. That’s enough energy to power the entire Waverly Health Center campus for three years. WLP supports a variety of initiatives including energy efficiency rebates, home energy audits, and other energy-saving programs which save customers money, help reduce energy demand, and keep customer bills affordable.

Waverly Light and Power has issued more than 4,660 residential and commercial rebates to customers who have participated in one or more energy efficiency programs. Since we have 4,620 customers, that is over 100% of our customers! This has translated to a net savings of $5.9 million for our customers by reducing the need for new base load generation in Waverly.
Working Together for Waverly

Working for the community is what Waverly Light and Power does best. That commitment shined bright during the Flood of 2008. In response to the disaster, the Board of Trustees voted on two separate occasions to delay a scheduled rate increase to ease the financial burdens already placed upon so many Waverly residents and businesses.

Waverly Light and Power’s commitment to the community also inspired the creation of the Community Involvement Program. Overseen by an employee committee, this program helps Waverly Light and Power support projects for the City of Waverly, the public school system, and nonprofit organizations.

The Community Involvement Program Committee evaluates local projects and determines whether they fit Waverly Light and Power’s goals as a municipal utility and if they serve for the betterment of Waverly. Members define which projects are considered “giving” programs, which would be performed during normal business hours, as well as volunteer programs, which would be performed by Waverly Light and Power employees outside of normal business hours.

During the first year of the Community Involvement Program, Waverly Light and Power employee’s donated 231 hours of volunteer time to help others. Projects included helping residents of a local community clean-up after an F5 tornado struck their community during late May.

Moving Forward in the Industry

Under the leadership of General Manager Diane Johnson, Waverly Light and Power continues to move forward as one of the most progressive municipal utilities in the Midwest.

Johnson represents Waverly Light and Power at the state level as the municipal utility representative on the State Energy Efficiency Commission. She also helps coordinate recovery efforts as a member of the Infrastructure and Transportation Task Force, an arm of the Rebuild Iowa Office established by Governor Chet Culver.

Waverly Light and Power has also earned the Reliable Public Power Provider (RP3) distinction by the American Public Power Association each year since the inception of the award in 2006. The award is earned for providing consumers with the highest degree of reliable and safe electric service. Waverly Light and Power is one of only six Iowa public utilities to do so. The RP3 award recognizes public power utilities that demonstrate proficiency in four key disciplines: reliability, safety, training, and system improvement.
The Waverly Light and Power Board of Trustees is responsible for maintaining efficient operations, financial health of the Utility, and stable rates. To do so, we have adopted financial guidelines, some of which are presented below:

• Design rates to reflect the cost to serve.
• Maintain system reliability and encourage energy efficiency.
• Maintain a generation fund to repair local engines as necessary.
• Support the existing level of transfers to the City of Waverly.
• Maintain sufficient revenues for favorable bond ratings.

• Provide adequate funds for rate stabilization to customers.
• Reach the Board of Trustees goal of 20% renewables by year 2020.
• Maintain an Insurance Recovery Fund to cover the cost of catastrophic losses not covered by insurance.
• Maintain a minimum debt coverage ratio of 2:1 in years forecasted.
• Provide adequate revenues for business studies, customer surveys, customer education, and customer relations.

Complete audited financials are available by calling Waverly Light and Power at 319.352.6251.
Renewable energy initiatives are what position Waverly Light and Power as a national leader in providing clean, green energy sources. We’re moving forward in our commitment to reliability and in achieving a 20% renewable system by the year 2020.

In 2008, Waverly Light and Power spent $200,000 to upgrade local diesel generators with automatic features bringing faster response and added reliability to our customers during emergencies. During the flood of 2008, Waverly Light and Power crews worked quickly to remove all water-sensitive equipment from our hydro plant on the Cedar River. Although the plant was impacted by floodwaters, Waverly Light and Power crews ensured it was once again able to produce power for Waverly within a few short weeks.

Progress continues to position Waverly Light and Power as a renewable energy leader in 2009. Waverly Light and Power hopes to finish construction on two additional wind turbines – Cannon I and II – in the near future. In addition, we are helping residents harness the sun through solar water heater rebates. The solar water heater rebates encourage residents to install efficient solar energy systems in their homes, helping them save on their utility bills and protect the environment in the process.