



Waverly
Utilities

the Connection

Powering the color of life

2018 | Q4



At a Glance

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2100+ Enjoying Telecom from WU

Waverly Utilities' telecommunications utility is pleased to share they have more than 2,100 residential customers. More than half of the businesses in town have converted over to WU.

"We're very pleased that we're meeting all our revenue milestones and debt obligations," shared Jeff Magsamen, director of telecom at WU. "This year alone, we've activated more than 400 households."

Infrastructure work is currently being focused in far southeast Waverly, near the Boy



Scout Camp Ingawanis. "We should have that section ready for activation by the end of the year," said Magsamen.

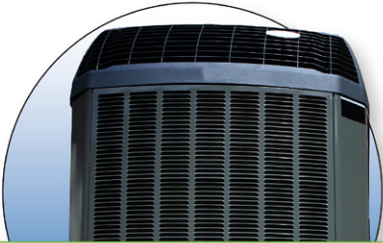
While cable installation is always weather

dependent, WU would like to encourage customers to call and report in if they feel cable lines have been left sitting too long. So far, more than 150 miles of lines have been installed.

Future plans include moving into the rural northeast areas of Waverly, hopefully within the next year or two. WU is also monitoring the industry trends of video subscription and how that may affect cable usage.


"Programming charges are still an issue, but we'd like to see if we could create a value-add in that sector," explained Magsamen. "We'll see what future regulations bring."

Air Source HEAT PUMP REBATE



A heating system that uses the outside air to heat your home in the winter and can be reversed to cool your home in the summer!

Visit waverlyutilities.com for more information about Air Source Heat Pump and other Waverly Utilities rebates.



Warning: Thin Ice!

With cooler temps coming on, Waverly Utilities would like to bring caution to your attention. The pond located next to our north plant, better known as the duck pond, will freeze in the winter. However, when our generators are running, please use caution while around or on the pond.

When the generators run, water runs through them to cool the engines off. The cooling water is then discharged on top of the pond. This process could make the ice unstable.

You will know Waverly Utilities is generating two ways:

- hear the generators running
- see the water being discharged onto the ice

Please use caution this winter and don't go on the pond when we are generating.



What to Expect in 2019

Rates: For the second year in a row, Waverly Utilities' electric revenue requirements are neutral resulting in no kWh rate increases for residential customers in 2019. "Our goal is to hold electric rates steady through 2021," said Darrel Wenzel, CEO of Waverly Utilities. "We continue to be financially prudent and as long as our external costs remain the same – wholesale rates, healthcare, etc. – we are hopeful that we will continue another



three years without any electric increases."

Waverly Communications Utility also has no rate increases planned for telecom services in 2019.

Waverly Utilities has absorbed new costs through a variety of cost-cutting measures including restructuring of jobs, sharing personnel between departments, and bringing the billing in-house.

Potential Projects for the Future: Looking ahead, WU is planning for the future as they begin to research plans for electric vehicles. "This is a prominent issue for our industry and something utilities on the east and west coasts

are already facing," said Wenzel. "We believe Waverly is several years away from a serious need, but we are studying the issues now so we have an electric vehicle plan in place for the community when it does arrive."

WU continues to keep an eye on solar prices as well. If costs go down, there is potential to revisit a solar garden. "Unfortunately, it does not make financial sense at this time," said Wenzel. "But we are monitoring the options."

2019

On the Lines

Waverly Utilities employees and board, along with family members, enjoy volunteering at the W-SR Boosters Club concession stand.



Ben & Jen



Luke, Drew & Jeff



Darrel, Krista, Tracy & Jean



Curt, Bob & Leann

Partner Connection



"Waverly is the kingpin when it comes to internet access. We use your super-fast internet for multi-site data transfer through a metro Ethernet line. In short, your business internet is faster here in Waverly than our other two sites combined! CMI is glad to partner with Waverly Utilities since we depend on fast and reliable internet along with fast and quick response from your telecom support team."

Mike Armstrong
IT Manager
CMI Roadbuilding Inc.

WU Replaces Switchgear

Waverly Utilities is in the process of replacing the switchgear at the South Load Center in Waverly. The new switchgear allows Waverly Utilities to ensure continued reliable electricity for the future. This half million-dollar replacement is on track to be finished by year end 2018.

A switchgear includes a variety of switching devices used to protect power systems from overloads. It can be compared to a home breaker panel, but on a much larger scale due to the complexity of the larger system.

The previous switchgear was installed in the mid 1970's when the substation was originally built. During a past inspection,



it was found internal components were beginning to degrade, therefore needing a replacement. Planning for the replacement of the switchgear has taken place over the past two years.

Another reason for the need of the new switchgear is safety. Employees were more prone to the direct amount of electricity they were exposed to. The new switchgear is designed to allow breakers to be removed and installed with employees at a safer distance.

Reliability is a large component for Waverly Utilities. Waverly Utilities is among utilities nationwide to earn the American Public Power Association's "Reliable Public Power Provider (RP3®)" designation. The RP3 designation recognized Waverly

Utilities for proficiency in four key disciplines: reliability, safety, workforce development and system improvement. Waverly has been awarded the diamond status.

WU Board Modifies Electric Rate Structure

At the October 9, 2018 Board of Trustees meeting, Waverly Utilities' Board unanimously approved a modification to the existing electric rate structure. The modification will go into effect January 1, 2019.


This modification will result in collapsing the inclining block tiers from three down to two. During the summer months, residential customers with usage over 1,100 kWh are currently charged at the rate of \$0.1865 per kWh. With the collapsing of the tiers, the top rate will be reduced to \$0.1359 per kWh for any usage over 600 kWh.

The rate modification will also adjust the current customer charge, from \$18.00 per month to \$19.00 for residential customers. The customer charge is a fixed monthly charge that does not fluctuate with usage or consumption. This fee is intended to recover the fixed costs of the utility (such as maintaining the distribution lines, transformers, meters and bill coordination) that is not included in the usage charge.

Current Summer Rate Structure		Modified Rate Structure (Eff. 1/1/19)	
Customer Charge:	\$18.00	Customer Charge:	\$19.00
Energy Charge:		Energy Charge:	
Up to 600 kWh	\$0.1136	Up to 600 kWh	\$0.1136
601-1,100 kWh	\$0.1359	Over 600 kWh	\$0.1359
1,101+ kWh	\$0.1865		


Waverly Utilities expects the rate modification to be revenue neutral, meaning some customers may see a slight reduction while some customers may realize a slight increase. A full compilation of the modifications will be available on Waverly Utilities web site www.waverlyutilities.com

This rate modification is based off a cost of service study performed earlier this year. The original inclining block rate was initially put into place to encourage energy efficiency throughout the community by charging more as more energy was consumed. In the past few years, Waverly Utilities has noticed energy efficiency savings have become stagnant and therefore felt changes to the rate structure were warranted.






HOME ENERGY AUDIT and WEATHERIZATION

- Initial audit
- Caulking, sealing, and adjusting doors, windows, outlets, rim joist, attic access, ducts and water pipes
- Installation of CFL bulbs, low flow sink and shower aerators
- Evaluation and education



To take advantage of this service, call 319-273-7233!

Services Provided by:

Behind the Scenes

Meet Tim Spratt, Substation/Power Plant Electrician

What does your position entail?

I maintain all three of Waverly's substations, which includes breaker testing, battery testing, daily record keeping, monthly inspections, etc. I also operate both diesel generation facilities and the hydro plant; conduct wind turbine inspections; handle solar panel maintenance; maintain the electrical system in the power plant and office areas; handle snow removal, fire alarm maintenance, weekend facility checks and more!

What's your favorite part of your job?

The variety of jobs I perform.



When did you start at Waverly Utilities?

July 2005

Tell us a little about yourself.

I'm a '83 W-SR alum and a '84 Calmar Community College welding school graduate. From 1985-1991, I was in the U.S. Navy, working aboard submarines. I've been a Journeyman Electrician since 1995. My family includes my wife of 33 years, Christine, and our daughter, Emilie. I like fishing in Canada and enjoy gardening and yard work.

What's one unexpected fact about you?

I drive W-SR school buses for sporting activities.

1002 Adams Parkway
Waverly, Iowa 50677



NOTICE OF PROCEDURE FOR REQUESTING INFORMATION FROM OR REGISTERING COMPLAINTS WITH WAVERLY UTILITIES

Persons desiring to request information from or register complaints with Waverly Utilities may do so by contacting:

Waverly Utilities
1002 Adams Parkway
Waverly, IA 50677
319.559.2000

If the utility has not been able to help you with your problem, you may contact the Iowa Utilities Board toll free at 1.877.565.4450. You may also write the Iowa Utilities Board at 1375 E. Court Ave., Room 69, Des Moines, IA 50319-0069, or by e-mail at customer@iub.iowa.gov.

New Drop Box

You asked and we listened! Waverly Utilities now has a drive-by drop box for your convenience. You may place your utility payments in this box - located by the mailbox - or the one located on the building.



Board of Trustees

Chairman, Bob Buckingham
Vice Chair, Emily Neuendorf
Trustee, Ann Seggerman
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.

