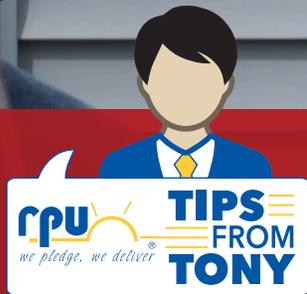


RPU Plugged In



FALL IS COMING!
ARE YOU READY?



See RPU's Top 5 Things You Can Do
to Get Your House Ready for the Fall

Read more on page 2

Photo by Josh Banks

→ **FEATURING:** 3 Talking Rates with the GM | 4 Business and Workplace Electric Vehicle Charging | 8 Seeing Double?



RPU's TOP 5 THINGS TO DO FOR FALL!



September marks the downward slide into the Minnesota fall season. It's a beautiful time of year, but it poses a few questions when it comes to energy and water usage, so we want to set the record straight. Follow our five tips below and be on your way to a comfortable and efficient fall season. Watch for *Tips From Tony* this fall, where Tony goes over some of his favorite fall tips for RPU customers.

1

Check Your Lightbulbs and Consider Changing to LEDs (Light-Emitting-Diodes)

Over the summer, we were fortunate to be able to utilize the sunlight much longer throughout the day, which resulted in less reliance on lighting indoors. Change one or two bulbs in areas of your house where you use lighting most often and use up to 75% less energy than if you were using incandescent lighting. LEDs can be purchased in different light colors and temperatures, and are very energy efficient. Make sure to check the RPU website (www.rpu.org) for available rebates of up to 50% off the bulb cost!

2

Take an Inventory of Your Trees Near Overhead Lines

By addressing your trees and limbs near overhead lines now, you might reduce your chances of an outage this winter due to wind, ice, or snow accumulation. Walk your property and look for limbs hanging on or near overhead lines. Look for trees that might be growing near lines or that look unhealthy and could cause a problem to lines if they were to fall. Call RPU with your tree concerns and we will send out a tree expert to look at your property and talk with you about what can be done. RPU may need to trim the tree and limbs, or a licensed contractor may need to address the situation.

Always use caution and be safe when addressing tree-trimming needs. **Never try to trim trees or branches yourself. Leave this work to a licensed contractor!**

3

Attend an Upcoming Neighborhood Energy Challenge Workshop and Sign Up for an Energy Audit

The Neighborhood Energy Challenge includes:

Free Energy Workshop.

Attendance at our free "Saving Energy 101" workshop is mandatory to participate in the program –

and a great opportunity to learn new no- or low-cost strategies to stop energy waste, all while visiting with your neighbors. Free childcare is provided.

Home Visit and Materials. At the workshop you will have the opportunity to sign up for a Home Visit, where our crews of energy professionals will visit your home for an hour and a half to run diagnostic tests (like a blower door to test for air leaks), install energy-saving materials, and find your home's best opportunities for saving energy and reducing your utility bills.

Help with Next Steps. If our crews find an opportunity for significant savings through installing additional insulation, attic air sealing, or replacing old heating equipment, we can make the next steps easy by connecting you with qualified contractors, financing, incentives, and rebates.

The Home Visit, materials, and recommendations are all included in a one-time \$50 fee.

Materials provided may include:

- Gasket seals
- Safety caps
- LED bulbs
- Pipe insulation
- High-efficiency faucet aerators
- High-efficiency showerhead



Read more about Energy Education options offered this Fall and learn how to sign up on page 7.

Talking Rates with the GM



Mark Kotschevar

Periodically RPU studies the cost of providing electric service to our customers. This is an important effort, because RPU's governing charter directs that "Rates shall be

reasonable and compensatory so as to cover all the costs of the respective public utility and shall be uniform for all customers within the same class, but different rates may be established for different classifications by the board."

The following explores what this directive means for you as an RPU customer.

Two Kinds of Costs

The electricity portion of your RPU bill has two parts: a fixed "customer charge" and a variable "energy charge." These two charges perform very different but complementary functions in approaching the "actual cost of service" directive.

The fixed "customer charge" ("demand charge" for large commercial customers) covers costs that exist regardless of how much energy you use: metering, billing, customer service, and the infrastructure necessary to get the electricity to you when you flip a switch.

The variable "energy charge" covers the cost of the electricity you actually use. In addition, RPU makes an annual payment to the City's general fund, called a Payment In Lieu of Taxes. These are examples of variable costs, expressed in cents per kilowatt-hour used.

Planning for the Future

Three years ago, the RPU Board adopted a policy to build our cash reserves so when aging infrastructure needs to be replaced, RPU will have sufficient funds to pay for replacements rather than having to ask customers for large rate increases. This reserve policy provides for rate stability in the future, avoids a large unfunded liability, and allocates replacement costs to those customers using and benefiting from the

infrastructure today. The cash reserve contribution comes from the "bottom line" after all revenues and expenses have been accounted for.

Allocating Costs

These pieces all combine to form the "revenue requirement" necessary for RPU to maintain solid fiscal health and achieve the "actual cost of service." Next, the revenue requirement must be allocated among residential, commercial, and industrial customers. RPU does this with two goals in mind.

The first goal is to eliminate subsidies between customer classes. RPU's Board has a long standing policy of basing individual customer class rates on the actual cost to serve each class.

The second goal is to eliminate subsidies between customers within the same class. This means that both the fixed customer charge and variable energy charge must be set appropriately to recover these two categories of costs.

Your Input Is Welcome

RPU's Board commissioned a study to evaluate how well we're doing in setting rates to reflect the actual cost of service. Preliminary findings were presented to the RPU Board on July 25. Based on projected operating and capital expenses, the study showed the need for increases of 1.5% in 2018 and 1.9% in 2019.

At its August 29th meeting, the Board discussed the rate changes needed to align individual customer class rates with the actual cost of service for each, while achieving the targeted overall revenue requirement. This discussion will continue at the Board's September 26th and October 24th meetings, with final RPU action to be taken on November 14th along with approval of RPU's 2018 budget. Both the rate recommendations and the 2018 budget will then be forwarded to the City Council for final approval. All of these meetings are open to the public, so customers with questions or concerns are invited to attend and provide input.

4

Water Lawns Sparingly

Take a look at how much you are watering your lawn and see if you can reduce the time and amount of your watering. The sun isn't as warm as it was a month ago, so if you water during the efficient times of early morning or evening, you should be able to reduce your watering times. If you have an irrigation system and you are starting to think about getting it blown out for the season soon, make sure to talk to your irrigation contractor about getting it tested. The backflow assembly must be tested annually due to Minnesota plumbing code. For more information on efficient watering or backflow testing, visit the RPU website (www.rpu.org).

5

Turn the AC Off

A bold, but beneficial step in energy conservation would be to turn off the air conditioning for the season in September. Rely on the fall breeze and cooler morning and evening temperatures to keep you cool as you head into the autumn season. Ceiling fans can still provide cooling relief in your home, without adding a large amount of energy usage to your monthly bill.

RPU Commercial Customer Corner

Business and Workplace Electric Vehicle Charging

Have you noticed that new Chevrolet Bolt in your neighborhood? Have you driven past that Nissan Leaf a hundred times on your way to work? Have you ogled at the Tesla parked at the downtown ramp?

Electric cars are here, and now is the time to create a business advantage. A greater number of businesses are installing electric vehicle charging stations for their customers. **Why is this?**

1. Sets your business apart from your competitor.
2. Attracts and retains customers.
3. Shows your business is tech-savvy and green.

But, EV chargers aren't just a great way to increase your customer's satisfaction. A large number of businesses are installing electric vehicle charging stations for their employees. **Why is this?**

1. It is a low-cost benefit for employees.
2. Helps retain employees.
3. Helps attract new talent.

There are several types of chargers available for different budgets. You need to determine which best works for you.

1. A Level I charger is a standard wall outlet.
2. A Level II charger requires a dedicated circuit and has the industry standard SAE J1772 connector.
3. A DC Fast Charger provides the quickest charge but it is the most expensive option.

You also need to determine if you want to offer a free service or recover some of the ongoing costs of operating the station. There are a couple of options available to recover costs:

1. You can charge a fee to park at the charging station but offer free use of the station.
2. You can install a charging station that can collect credit card information, and utilizes a third party for billing and payment. These stations may cost more but give more control and flexibility of the charging station.

If you have any questions on car charging, please contact an RPU representative.

CONSERVE & \$SAVE®



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See your RPU representative for more information on energy management or our Conserve & Save® rebate program.

CALLING FOR NOMINATIONS!

Environmental Achievement Awards are given annually for outstanding environmental achievement in Olmsted County. Nominations are sought for individuals, families, youth, organizations, or businesses in any or all categories:

- Climate Change
- Education
- Renewables
- Water
- Conservation
- Energy
- Sustainable Food Production
- Other

DOWNLOAD A NOMINATION FORM AT WWW.RPU.ORG. DEADLINE IS OCTOBER 6.



2017



Photo by Alexandra Petrova
www.AB-Photography.us

WATER CONSERVATION

Monthly Tip on Saving From the Tap!



Collect the water you use while rinsing fruit and vegetables. Use it to water house plants.

CONSERVE & \$AVE  *we pledge, we deliver*

ENERGY CONSERVATION

Monthly Tip for Plugging into Savings!



Looking for more ways to reduce the cost of operating your refrigerator? Make sure to cover liquids and wrap your foods before being stored. Moisture released from uncovered foods and liquids makes the compressor work harder, increasing the energy you use.

CONSERVE & \$AVE  *we pledge, we deliver*

SHARE THE POWER, BUT NOT YOUR ROOF!

JOIN RPU'S COMMUNITY SOLAR PROGRAM.

How does the SOLARCHOICE program work?

Instead of putting panels on your roof, we build a large solar project called a community solar garden with thousands of panels. You subscribe to a portion of the energy produced by the community solar garden, along with many other residents who share your commitment to renewable energy. Each month you receive a bill credit for the solar electricity generated by your subscribed panel(s).



SOLARCHOICE

Local People Local Energy

How do you join?

For more information about joining RPU's SOLARCHOICE program, visit www.rpu.org.

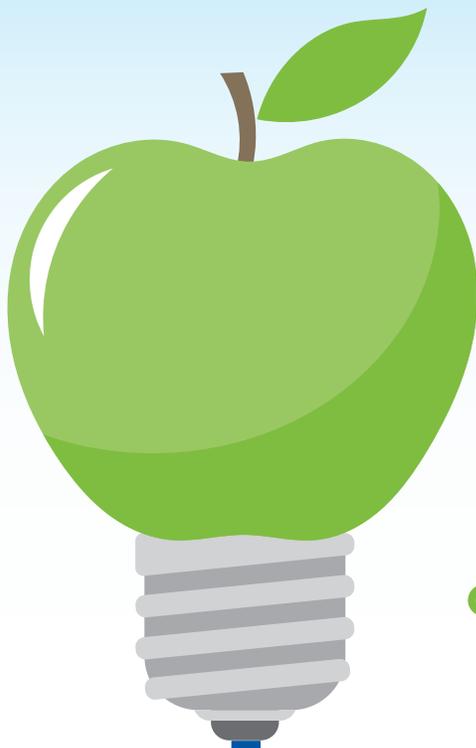


Utility Payment Arrangements Available for Military Service Personnel

When a household member has been ordered to active duty, for deployment, or for a change of duty station, some customers may find it hard to pay their utility bills. Minnesota Law protects military personnel from shut-off if they cannot pay their bill in full. To qualify for this protection, you must enter into and keep reasonably current with one of the payment plans described below.

- ▶ **If your household income is below the state median household income, pay 10% of your household's gross monthly income toward your RPU bill.**
- ▶ **If your household income is above the state median household income, make and keep a payment plan.**
- ▶ **If you receive energy assistance, pay 10% of your household's gross monthly income toward your RPU bill. The full statute description for Minnesota Statute 325E.028 can be found on the state of Minnesota website <https://www.revisor.mn.gov/pubs/>.**

If you would like to sign up for payment arrangements or have questions regarding the "Military Service Personnel Disconnection Law," please contact RPU customer service at **507.280.1500**.



Energy =|D Education

FREE Energy Conservation Classes & Workshops:

- **Saving Energy 101: Neighborhood Energy Challenge Workshop**

Attendees qualify for a \$50 home energy audit!

Thursday, September 21, 2017 • 6:00-7:30 pm

REGISTER: Call: 888.734.6365

Email: sbootscamp@mncee.org

- **Get Out of the Dark:
Brighten Your Knowledge
On Home Lighting Purchases**

Tuesday, September 26, 2017 • 6:00-7:30 pm

REGISTER: Call: 507.328.4000

Online: rochester.thatscommunityed.com

- **Solar Energy For
Your Home or Business**

Saturday, October 7, 2017 • 10:00 am-12:00 pm

REGISTER: Call: 507.328.4000

Online: rochester.thatscommunityed.com

All classes are held at the
Northrop Community Education Center
201 8th St NW

Learn more at www.rpu.org

CONSERVE & \$AVE[®]



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Where to Find RPU

Find us on social media for the latest RPU news and updates!

 @rpuoutages for outage information

 @rpualerts for RPU news and general information

 Rochester Public Utilities



Seeing Double?

You may do a double take when you receive your October billing and see two energy charges. This actually happens twice a year: once in June and again in October. The reason behind the dual energy charge is the change in the rate. As of October 1, the cost per kilowatt drops from twelve cents to ten cents per kwh (kilowatt-hour). This means that part of your usage is prorated at the higher (summer) rate and part of your usage is prorated at the lower (non-summer) rate, hence the two separate energy charges appearing on your bill.

As of June 1, the rate goes back up to the summer rate. The reason for the rate adjustment twice a year is to

accommodate the costs of the increased usage during the summer months when there is a larger demand for energy. Increased usage in summertime results from higher usage of air conditioners and dehumidifiers.

So, when you receive your October statement, don't fret. It's not a double billing. It's just a prorated adjustment to your bill based on the shift in the rates. The energy customer charge is a flat fee on the billing statement and that will stay the same regardless of how much energy you use.

If you have questions about summer and non-summer rates, contact RPU Customer Service at **507.280.1500**.



**RPU SERVICE CENTER
Holiday Hours**

The RPU Service Center will be closed on: Monday, September 4, in observance of Labor Day