NOTICE TO CUSTOMERS



OF SUPERIOR WATER, LIGHT & POWER

On May 25, 2018, Superior Water, Light and Power Company (SWL&P) filed an application with the Public Service Commission of Wisconsin (PSCW) for authority to adjust electric, gas and water rates. SWL&P is requesting an overall rate increase of 2.7% comprising a 2.0% increase in electric rates, a 2.3% increase in gas rates, and an 8.3% increase in water rates. The actual amount of any increase or decrease in rates by rate class will be determined by the PSCW based on a review of the application and after public hearings. The rate increases, if approved, are anticipated to become effective in 2019.

The proposed increases are primarily due to capital improvements to replace aging infrastructure and improve reliability across the electric, gas, and water utilities as well as changes in customer base and projected water sales in 2019.

Improvements to the electrical system include a new switching station to improve the reliability of the high-voltage transmission system serving Superior, Wisconsin, and surrounding areas and the replacement of 50-year-old switchgear at the Winter Street substation.

In addition, advanced meters to modernize the customer experience continue being installed for water and gas customers, and general gas system upgrades are improving the system's safety and efficiency. Advanced meters for the electric utility were installed in 2017.

The major water capital improvements include the second phase of the Belknap reconstruction project replacing 100-year-old water mains. When the project is finished in 2018, nearly two miles of water mains will have been replaced in order to improve the water system's reliability. In addition to the reconstruction project in 2018, SWL&P has filed for approval to construct a water plant overflow system in order to comply with requirements by the Department of Natural Resources. SWL&P also has replaced hydrants and water mains throughout the City of Superior to enhance water quality. SWL&P works closely with the City of Superior to replace water infrastructure during other planned maintenance in order to keep costs down for customers.

The last rate adjustment authorized by the PSCW for SWL&P was in August 2017. Additional information regarding the rate application can be obtained on www.swlp.com, or by calling a SWL&P customer representative at 715-394-2200.