



AN ALLETE COMPANY

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NEWS

Wisconsin regulators authorize Superior Water, Light and Power rate changes

Superior, Wisconsin – The Public Service Commission of Wisconsin (PSCW) has authorized base utility rate changes for Superior Water, Light & Power’s (SWL&P) electric, gas and water utilities.

In its ongoing efforts to serve customers safely and reliably, SWL&P filed an application in June 2016 with the PSCW for authority to adjust rates for the electric, gas and water utilities. The rate adjustments, which went into effect today, will cover the costs of replacing aging infrastructure and improving delivery systems, and also adjust for differences in the commodity prices of gas.

“The additional investments in our infrastructure are designed to meet the evolving needs of our customers and to provide them excellent service,” said Deb Amberg, ALLETE senior vice president, chief strategy officer of regulated operations and president of SWL&P. “New technologies offer many opportunities for a better customer experience, and we plan to incorporate them in a cost-effective manner.”

The annual revenue increase for SWL&P is about \$2.5 million, or 2.9 percent, and affects base rates for all three utilities. Total electric rates will increase by \$2.3 million, or 3.81 percent; water rates will increase by \$937,000, or 9.75 percent; and gas rates will decrease by \$765,000, or 9.6 percent.

Customer bills will vary depending on respective utility service schedule, rate, season and usage characteristics. The average residential customer of all three utilities using about 600 kilowatt hours of electricity, 100 therms of natural gas and 500 cubic feet of water will see a total change of about \$8 per month, or 3.9 percent.

The rate changes will help pay for upgrades to electric substations and transmission lines, a portion of updates to water infrastructure along Belknap Street and other areas of Superior, along with updates and improvements to the gas utility infrastructure. SWL&P customers also will benefit from the installation of advanced meters across SWL&P's electric service territory, among other projects, that will not only improve the customer experience, but also enhance the safety and reliability of the electric, gas and water systems.

“We recognize the fact rate changes impact our customers large and small and we thoughtfully take that into consideration when replacing aging utility infrastructure,” said SWL&P Treasurer Paul Holt. “We try to balance cost and improvements that continue to ensure our customers can rely on their lights being on, their houses being warm and their water being clean.”

SWL&P, a wholly owned subsidiary of ALLETE Inc. (NYSE:ALE), has served customers in northwestern Wisconsin for more than 125 years. The last rate adjustment authorized by the PSCW for SWL&P was in January of 2013.

Please visit www.swlp.com for more detailed information on these rate changes.

Superior Water, Light and Power Company (SWL&P) is a wholly owned subsidiary of ALLETE that provides service to approximately 15,000 electric customers, 13,000 natural gas customers and 10,000 water customers in Superior, Wisconsin, and adjacent areas. Superior is in northwestern Wisconsin across the St. Louis River from Duluth, Minnesota

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