

PRESS RELEASE

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Despite COVID-19 Challenges, 2020 Ends on High Note for MPW

At Tuesday's meeting, the Muscatine Power and Water (MPW) Board of Trustees were given yearend critical issue and key performance indicator updates. Multiple utility projects were completed or saw significant progress in 2020 – despite the challenges associated with COVID-19. Overall, the Utility financially performed better than budget and service reliability statistics remained high.

“Like the rest of the world, MPW staff felt stress and uncertainty in the face of the pandemic,” shared General Manager, Gage Huston. “Yet, we rose to the challenge. Important infrastructure work did not pause and our responsibility as a trusted community partner did not cease. I could not be prouder of the work accomplished by MPW team members during this extraordinary time.”

The Fiber to the Home (FTTH) project gained momentum and finished 2020 with 96% of homes and businesses fully converted to the all-fiber system - providing the community with the most advanced communications services available. Atlantic Engineering Group (AEG) will be doing a clean-up of the aerial cabling and field equipment removal from overhead lines, with completion expected by the end of March. Underground clean-up and field equipment removal will be completed by MPW staff and is expected to run through the 2021 construction season. The multi-year project is anticipated to complete under budget, as revised in 2019.

The legacy cable and internet system will be shut down starting January 31. Customers who have not converted to fiber are urged to contact Customer Service at 563-263-2631 right away to avoid disruptions in service.

Planning for the new 161kV transmission line continued with all easements secured voluntarily. Construction is set to begin in the fall, with anticipated completion in 2022. The new asset will ensure the electric system maintains high reliability and voltage support for our area.

MPW's safety metrics were favorable, even with the COVID-19 pandemic. Considered 'essential critical infrastructure workers', Utility staff continued work on significant infrastructure projects by using necessary precautions. Workers quickly adapted to new PPE, physical distancing, cleaning routines and schedule changes to help them stay safe at work. Huston commented,

“We’ll have more detail to share next month, but 2020 had one of the lowest injury rates we’ve ever had.”

Mark Roberts, Director of Finance and Administrative Services, informed the Trustees the Electric and Water Utilities performed better than budget for the year. The Electric Utility finished with a net income of \$4.1 million; the Water Utility finished at \$0.8 million. While the Communications Utility performed well (\$1.1 million net income), it missed budget projections due to the depreciation of the FTTH project, which was not fully budgeted in 2020.

A more detailed overview of 2020 projects and initiatives will be provided to customers via MPW’s newsletter, which will be included with February billing statements.

The Trustees were informed of a cybersecurity matter impacting commercial and government organizations around the world. The cybersecurity event impacted SolarWinds, specifically their IT performance monitoring platform – Orion. The Orion product helps businesses manage and optimize IT infrastructure.

Although MPW does not utilize SolarWinds Orion products and has not experienced any known negative impacts, staff has been monitoring the SolarWinds threat closely. All appropriate measures have been implemented to ensure MPW’s level of risk remains low.

MPW’s lobby re-opened for business, Erika Cox, Director of Customer and Technology Experience, reminded the Trustees. “While we love seeing our customers, safety is still a priority. Most customers have adapted to getting assistance through a phone call, email or using the drive-thru and those continue to be options we encourage.”

Doug White, Director of Power Production and Supply, advised the Board of upcoming public events to share more information and obtain comments relating to MPW’s ongoing study of future power generation resources. “We’ll be meeting with the Clean Air Muscatine group initially and presenting to Muscatine Rotary in March,” noted White. This is a very important time in MPW and Muscatine’s history. How to best meet Muscatine’s energy needs reliably and cost effectively will have impacts on residents and business and industry for decades. Decisions like this take public sentiment into consideration, as well as study and analysis by industry experts. “We’re committed to diversification of our fuel sources and expanding our renewable portfolio with the addition of 30 megawatts of solar right here in Muscatine,” concluded White.

Deadlines for the electric vehicle (EV) rebates are quickly approaching, shared Ryan Streck, Director of Utility Service Delivery. “MPW’s Early Adopter Incentive program deadline is March 31. The \$1,500 rebate for new battery-operated vehicles is designed to support and encourage EV adoption in Muscatine.”

More information about the rebate program can be found <https://www.mpw.org/special-offers> or by calling Paul Burbach at 563-262-3423.

In other business, the Trustees:

- Approved payment for the December 2020 expenditures and transactions,
- Approved the recommendation to approve Electric, Water and Communications Utilities Reimbursement Resolutions.