Because we live in Muscatine, everyday life is different than if we lived somewhere else. Muscatine Power and Water is one of those differences. Being not-for-profit means lower utility rates. Being staffed by neighbors means you’re not just our customer, you’re our friend — and friends don’t let friends down.

We are your Utility:

• We are driven by our customer-owners, not profit.

• We exist to serve our fellow citizens, friends and neighbors. Our loyalty is to our customers, not stockholders.

• We help to make Muscatine a good place to live and work; our reliable and low-cost services support the success of business in the community and help provide a good quality of life for all of our customer-owners.

• We take pride in our strong local governance structure; an appointed board of trustees that conducts open meetings every month.

That’s the power of community!

MP&W leadership recently gave a presentation highlighting Utility activities in the previous year, project status reports and key performance indicators.

Known as the Power Breakfast, this year-end review spotlights how Muscatine Power and Water works around the clock to provide reliable and cost-effective services for the betterment of the community. This special 2018 in Review issue of the MP&W News brings that content to each and every one of you.

A History of Serving Muscatine

In his opening remarks, General Manager Sal Lo Bianco began with a reminder — each of Muscatine’s Utilities, Water, Power and Communications, came into existence because local citizens voted to establish them in 1900, 1922 and 1997, respectively.

He said those mandates have always been a powerful driving force to ensure MP&W delivers utility services safely, reliably, and at rates below state and national averages, with outstanding local customer service.

He underscored MP&W’s critical role in the community’s economic health, by helping to keep businesses competitive in their local and global markets, by purchasing local products and services, and by employing hundreds of local people. Beyond those tangible benefits, he said, “MP&W is driven by our customers’ needs. We are friends and neighbors serving friends and neighbors.”

On Demand and Online

Watch the Year End Review

The 2018 Power Breakfast was recorded for broadcast on Public Access Channel 9. The full program and individual chapters are available to MachLink Fiber TV viewers in the Local On Demand folder, and also available online at mpw.org/PBPlaylist.
Reliability: The Cornerstone of our Mission

Here is a summary of 2018 capital projects and maintenance activities that help MP&W ensure reliable service to you.

Electric
In planning now is a multi-year project to construct a new, northern route 161kV transmission line to supplement the current transmission lines that route to the south. Construction is set to begin in late 2019, with an in-service date of late 2021 or early 2022.

The new line will provide operational flexibility and additional system reliability. It will also allow us to maintain reliable electric service to Muscatine while one of the other 161kV transmission sources was unavailable due to a planned or unplanned outage.

Water
Water system reliability is also being enhanced by several capital improvement projects such as the expansion of the Grandview Avenue wellfield. This project more than doubled the size of the existing wellfield and will provide capability for additional wells over the next 20 years or more.

Also underway at the Grandview site is an expansion of the existing treatment facilities needed to treat the water from the additional wells. Nearly complete, the new treatment equipment is expected to be online in first quarter 2019.

The Water Utility’s planned replacement of aging water mains continued in 2018. In addition to those scheduled as part of the West Hill Sewer Separation project, four lines in targeted neighborhoods were replaced. Since parts of the Muscatine water system can be over 100 years old, diligent annual system maintenance like this is critical to reducing the occurrence of main breaks due to ground shifting.

Semi-annual water main flushing is another critical step which prevents mineral buildup that reduces water flow, corrodes pipes, and prevents valves from operating. Flushing also verifies fire hydrants are operating correctly before they’re needed for fire protection.

Communications
A major reliability project — the structural strengthening of the Network Operations Center (NOC), was begun in 2018. Upon completion in first quarter 2019, the “hardened” NOC will provide tornado-proof protection for critical communications gear and an emergency power supply.

Internet reliability was further enhanced with a core network upgrade and by adding a third internet service connection that routes to Minneapolis in addition to the existing connections via Des Moines and Chicago.

By the end of 2018, approximately 25% of customers had been converted to the fiber system.
Locally-owned generation benefits us all

While we sell and purchase energy through the MISO energy market, the Electric Utility has always maintained local generation assets which provide reliable, low-cost energy, employ a significant workforce, and contribute to Muscatine’s strong economy. Locally-owned generation gives MP&W flexibility in the market and contributes to our ability to keep rates low.

As shown here, Unit 9 accounts for over 83% of power generated locally, with 11% coming from Units 7, 8 and 8A. Although not located within the community, MP&W’s South Fork Wind Farm contributed 5.5% of locally-owned generation capacity in 2018.

One of the big projects of the year is an overhaul of the Unit 9 turbine generator. Overhauls such as this are scheduled on a regular basis to ensure that the equipment continues to operate reliably. Upon inspection, erosion was discovered on some turbine blades which required the rotor be sent offsite. Amazingly, this is the first time since Unit 9 went online in 1983 that such a repair was needed.

As seen disassembled above, the massive 34 ton steam turbine rotor drives the 45 ton generator rotor at 3600 RPM — 60 times per second — with tolerances as small as 0.020 of an inch! Fortunately for MP&W, we employ skilled tradesmen with years of experience, so much of the power plant equipment maintenance can be accomplished by our own workforce who, in most cases are also customers of ours.

New renewable energy program introduced

At the Power Breakfast, MP&W officially rolled out its WeOffset program, whereby residential and business customers can opt in and offset their energy usage with Renewable Energy Certificates (RECs) that are produced by our South Fork Wind Farm.

In the residential program, customers may choose to offset 25%, 50% or 100% of their consumption with wind energy for just an additional 1¢ per kWh. A handy online calculator has been set up at mpw.org/WeOffset to help customers determine their preferred level of participation and click through to sign up.

A commercial/industrial version of the program has also been set up with special rates for bulk purchases. Interested businesses should contact Energy Services Advisor, Paul Burback at 563.262.3423 or by email pburban@mpw.org.
Financial Stability: Keeping a watchful eye

Director of Financial and Administrative Services, Jerry Gowey, led a presentation on MP&W’s Key Performance Indicators (KPIs). The 3 main financial drivers reviewed by Trustees and Management on a monthly basis are Net Income as a % of Revenue, Cash, and Debt Service Coverage.

“All three KPIs for each of the Utilities, are above the requirements or budget we have set for the year, which is good news,” Gowey said.

MP&W operates on a not-for-profit basis. Excess cash is re-invested into infrastructure and reliability improvements, or used to offset future rate increases. Gowey noted that the strong cash KPI will be particularly helpful for large capital projects in the coming years in each of the three Utilities.

Continuous improvement is another way MP&W works to drive down expenses. By focusing on process improvements, we discover economies that help keep costs low so savings can be passed on to customers in the form of lower rates. Gowey also explained how customers saved over $314,000 in the previous 12 months through credits generated by MP&W’s Energy Adjustment Clause.

The chart below, shows MP&W Electric rates again below state and national averages and competitive with regional power providers.

Customer Care and Communications Advances

One of the best things about being a hometown utility company is familiarity with our customers — it drives us to deliver a higher level of customer service and customer experience.

In each initiative that we undertake, we ask:
• Is it being customer-friendly?
• Is it providing real-time data?
• Is it being easy to do business with?

One of the fun, customer-friendly things we do is Fiber Fun Night. These events provide opportunities to engage customers in conversations about their experiences, and to demonstrate the features of the new Fiber TV, Internet and Phone system. Among the most popular stops is with our HelpDesk Heroes, who download apps, activate features, and answer tech questions, face-to-face.

We’re also evolving the ways we communicate news to our customers. Our wide following on Facebook and Twitter provides us direct access to and interaction with thousands of customers daily, where we share utility-related traffic delays, outages, and scheduled maintenance, along with restoration efforts to help them plan their days.

We also post utility jobs, programming reminders, tech tips and warnings, energy efficiency education, and more, plus stories highlighting our great employees. We also have significant “how-to” content available on our YouTube channel.

Our website, mpw.org is evolving as well with the addition of an interactive outage map, where customers can see real-time electric outages and restorations. Customers will able to report an outage with just a few clicks.

Coming in 2019, is the MyMPW portal which will consolidate the popular customer interaction links into one page to make MP&W easier to do business with.

Neighbors serving neighbors

MP&W employees are key to the Utility’s success and play a big part in making Muscatine a great community. Our employees are invested in the betterment of the City and demonstrate it through community outreach.

MP&W is a key factor in the economic vitality of our community, with more than $5 million annually in direct benefits to the community through lower rates and free services.

We also want you to know that your municipal utility is responsible with the resources that you have entrusted us. We are here for Muscatine.

Residential Electric Rate Comparison

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Details from the 2017 US Energy Information Administration form EIA-861

Neighborhoods serving neighbors

Neighborhoods serving neighbors

3205 Cedar St. • Muscatine, IA 52761  Visit our websites:  www.mpw.org and www.machlink.com
Business Hours: 8:00 AM – 5:00 PM, Mon - Fri. HelpDesk: 6:00 AM – 12:00 Midnight, 7 days a week.
Contact Numbers:  Utility Emergencies: 263-2631, opt 0 • Pay by Phone, opt 1 • HelpDesk 263-2631, opt 2 • Customer Services 263-2631, opt 3 • Phones answered 24/7 • 24-hour payment drop box