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*Customer Driven, Community Minded, Environmentally Responsible*

**FOR IMMEDIATE RELEASE**  
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### **Kaukauna Utilities Will Pass Anticipated Tax Savings to Customers**

**Kaukauna Utilities** acted recently on a measure that is anticipated to reduce wholesale electric costs. The utility will pass the savings on to local customers.

The Board of Directors for WPPI Energy, which is Kaukauna Utilities wholesale power supplier, resolved during its March 8 meeting to adjust WPPI Energy's wholesale rates for 2018 because the board anticipates WPPI Energy will benefit from a lower federal corporate tax rate. The action is projected to lower wholesale electric costs for the local utility.

"We supported this measure because it will benefit local residents and businesses," said Jeff Feldt, General Manager of Kaukauna Utilities and Chairman of the WPPI Energy Board of Directors. "Kaukauna Utilities operates on a not-for-profit basis, so the savings we receive will flow back to our customers."

#### **Corporate Income Tax Savings**

WPPI Energy and its member utilities anticipate delivering cost savings related to a new federal law decreasing the corporate income tax rate. Even though it does not pay federal income taxes, WPPI Energy purchases power and transmission service from companies that do, and the transactions are structured so that some of those companies' tax savings would be passed through to WPPI Energy.

In 2018, the impact of these savings is expected to lower WPPI Energy's wholesale rate to member utilities by an estimated 3 percent.

#### **Local Customers Benefit**

Locally owned, not-for-profit Kaukauna Utilities will pass along these savings to customers via the Power Cost Adjustment Clause (PCAC) on their monthly bills. The PCAC reflects monthly variations in wholesale costs driven by seasonal changes, fluctuations in customer demand, increasing fuel costs, and other factors.

"The PCAC ensures that the cost of the power we purchase, as well as any wholesale cost savings, are passed through to customers at neither a profit nor a loss," said Clara Pickett, Kaukauna Utilities Manager of Finance.

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#### **About Kaukauna Utilities**

*Kaukauna Utilities is a locally owned, not-for-profit electric utility serving 15,500 electric and 6,500 water customers in the Kaukauna area. Learn more at [www.ku-wi.org](http://www.ku-wi.org).*

HOVMSD - 2017 Evaluation

Review of the 2017 data showed an increase in average daily flow for all communities. Therefore the Commission asked that Donohue to take a look at recent water usage. See summary below.

<b>Annual Water Pumping Summary - By Community (Gallons)</b>					
	<b>Darboy</b>	<b>Kaukauna<sup>1</sup></b>	<b>Little Chute<sup>2</sup></b>	<b>Kimberly<sup>2</sup></b>	<b>Combined Locks</b>
2016	302,568,000	457,627,000	450,187,000	376,781,000	71,980,000
2017	293,326,000	458,589,000	443,282,000	357,433,000	69,020,000
	(9,242,000)	962,000	(6,905,000)	(19,348,000)	(2,960,000)

Notes

1- Kaukauna saw some residential growth in 2017.

2- Regulation changes required additional sanitary discharge for water treatment process (flows were previous discharged to the river). See table below for additional sanitary sewer discharge volumes.

<b>Treated Water Discharged to Sanitary (Gallons)</b>			
		<b>Little Chute<sup>2</sup></b>	<b>Kimberly<sup>2</sup></b>
		(gallons)	(gallons)
	2016	24,393,000	10,718,000
	2017	27,101,000	11,747,000
		2,708,000	1,029,000