

## Next steps

Your bills will continue to be calculated using current rates until new rates are approved by the PSCW. Next steps in the process:

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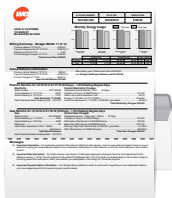
The PSCW will conduct a thorough review of our proposal and will hold a public hearing at a date, time and location to be determined.

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After taking our information and public testimony into account, the PSCW will set new rates. They may be higher or lower than what we requested.

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If approved, we anticipate new electric, natural gas and steam rates taking effect in January 2020.

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Visit [psc.wi.gov](http://psc.wi.gov) or call 608-266-5481 to learn about the hearing schedule in docket 5-UR-109. In lieu of testifying at the public hearing, you can submit comments online in the Public Comments section of the PSCW website.

## For more information

If you have questions about our proposal, contact us at 800-242-9137 (residential customers) or 800-714-7777 (commercial and industrial customers).



## Learn about our 2020-2021 rate proposal

Wisconsin Electric Power Company and Wisconsin Gas LLC (doing business as We Energies) filed a proposal on March 28, 2019, with the Public Service Commission of Wisconsin (PSCW) to set 2020-2021 rates for electric, natural gas and steam utility operations. This insert provides an overview of our request.



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# Our overall request

- \$69 million (2.9%) increase in 2020 (including fuel cost increases) and \$83 million (2.9%) increase in 2021 for electric rates (excluding changes in fuel costs)
- \$11 million (1.8%) increase in 2020 for Wisconsin Gas LLC rates
- \$14.7 million (3.9%) increase in 2020 for Wisconsin Electric Gas Operations rates
- \$1 million (4.5%) increase in 2020 for steam rates

The impact of the requested increase on your bill will vary depending on your rate class and amount of electricity, natural gas and/or steam you use.

## Reasons for the request

### Electric

Three key reasons require us to ask for an increase:

- ➔ Collecting the full cost of transmission services provided by the American Transmission Co. (ATC) that have been capped at 2010 levels.
- ➔ Recovering the revenue the PSCW assumed we would receive from the Midcontinent Independent System Operator (MISO) that was not received.
- ➔ Collecting revenue for increased costs associated with the purchased power agreement for energy from the Point Beach Nuclear Plant. This agreement was approved by the PSCW in 2007.

*If not for these reasons, electric rates would have been frozen for an additional two years.*

### Natural gas and steam

Our proposal calls for a small increase for natural gas customers in 2020 and no increase in 2021. Steam customers also would see an increase in rates in 2020 and no increase in 2021. These increases will help maintain the safe and reliable service that our customers expect.

# What this means for you

## Electric »

Customer class	2020 increase/decrease	2021 increase/decrease
Residential*	\$4.98 or 4.90% per month	\$5.23 or 4.90% per month
Small commercial/industrial**	-\$4.48 or -1.61% per month	-\$1.72 or -0.63% per month
Large commercial/industrial***	3.13% annually	1.97% annually

\* Assumes customer using 660 kilowatt-hours (kWh) per month.

\*\* Assumes customer using 2,000 kWh per month.

\*\*\* Assumes large commercial and industrial firm electric customer. Identifying any large commercial or industrial electric customer as a typical customer is difficult because there are many combinations of rate components that impact bills, which can vary significantly.

## Natural gas »

Customer class	2020 increase/decrease	2021 increase/decrease
<b>Wisconsin Gas LLC</b>		
Residential*	\$0.96 or 1.8% per month	NA
Small commercial/industrial***	\$1.36 or 1.2% per month	NA
Large commercial/industrial****	0.4% annually	NA
<b>Wisconsin Gas Electric Operations</b>		
Residential**	\$1.75 or 3.9% per month	NA
Small commercial/industrial***	\$7.78 or 8.5% per month	NA
Large commercial/industrial****	-1.3% annually	NA

\* Assumes customer using 827 therms per year.

\*\* Assumes customer using 825 therms per year.

\*\*\* Assumes customer using 1,900 therms per year.

\*\*\*\* Assumes large interruptible commercial natural gas customer using 6 million therms per year. Identifying any large commercial or industrial natural gas customer as a typical customer is difficult because there are many combinations of rate components that impact bills, which can vary significantly.

## Steam »

2020 increase	2021 increase
\$161.07 or 3.49% per month*	NA

\* Assumes customer using 400 Mlbs. of steam per month.

