

Natural Gas Services

Your natural gas bill includes:

- Firm Gas Sales Service – the costs to buy and supply natural gas
- Residential Distribution Service – the costs to maintain our gas system and deliver gas to your home

Firm Gas Sales Service (FS-1)

| | |
|--------------------------------|--------------------|
| Administrative charge | \$0.0330 per therm |
| Natural gas service** | |
| - Summer (Apr. 1 - Oct. 31) | \$1.0314 per therm |
| - Winter (Nov. 1 - Mar. 31) | \$1.0684 per therm |

Residential Distribution Service (RD-1)

| | |
|----------------------|--------------------|
| Customer charge | \$0.3370 per day |
| Distribution service | \$0.2816 per therm |

**Subject to adjustment for the cost of purchased gas.

Customer Charge: Every customer receives this charge whether or not natural gas or electricity is used.

Contact us

We're here to provide information that can help you make smart energy decisions. Please contact us with your questions about MGE rates, your bill and our services.

- Visit mge.com/rates
- Visit our offices
- Call us at (608) 252-7222 or 1-800-245-1125
(Spanish line call (608) 252-7120)

MGE main office

133 S. Blair St.
Madison, WI 53703

Office hours

8 a.m. to 5 p.m.,
Monday through Friday

Viroqua office

526 E. Decker St.
Viroqua, WI 54665
(608) 637-3139

Office hours

7:30 a.m. to 4 p.m.,
Monday through Friday

Prairie du Chien office

700 E. Blackhawk Ave., No. 3
Prairie du Chien, WI 53821
(608) 326-2417

Office hours

8 a.m. to noon, 1 to 4:30 p.m.,
Monday through Friday

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your community energy company

MGE00220 12/19/2007

Residential Services and Prices

Effective January 1, 2008



Basic Utility Rates

Effective January 1, 2008.

We take seriously our responsibility to provide reliable energy and control costs. Before setting new rates, the Public Service Commission of Wisconsin reviews our rate request and listens to customers' suggestions and proposals.

Why are MGE rates increasing?

The electric rates reflect the increased costs of generating reliable energy to meet growing electric demand while meeting our goal of reducing environmental impacts. Under the Company's Energy 2015 Plan, MGE is working to modernize its generation and improve its environmental performance. The electric rate increase helps cover expenses related to these MGE initiatives:

- MGE's new \$59 million, 30-megawatt wind farm.
- MGE will receive 100 megawatts from a cleaner coal power plant expansion currently under construction in Oak Creek, Wis.
- Accelerated depreciation of older MGE coal facilities to be retired in 2011.
- MGE's portion of American Transmission Co. costs to maintain energy transmission reliability.

The natural gas increase covers costs to deliver gas to customers and improvements to distribution infrastructure.

In addition, Wisconsin Act 141 impacts both electric and natural gas rates. This state fee, assessed through all utility bills in Wisconsin, will help fund statewide efforts to increase energy efficiency and renewable energy.

How can I control my costs?

While you don't have control over energy prices, you do have control over your energy use. You can now track your energy use and see how your home heating costs compare online at mge.com. Consider these tips to control costs:

- Adjust your thermostat setting at night and when you are away.
- Replace your incandescent lightbulbs with compact fluorescent bulbs.
- Look for the ENERGY STAR® label when purchasing new appliances and equipment.

For more energy-saving ideas:

- Visit mge.com or
- Call our Home Energy Line at (608) 252-7117

What can I do to control my bills?

Sign up for MGE's Budget Payment Plan to spread your energy bills more evenly over a 12-month period. We'll review your account at six and 12 months and adjust your payment amount if necessary.

For more information or to sign up:

- Visit mge.com/budget or
- Call (608) 252-7222 or 1-800-245-1125

Electric Services

Residential Electric Service (Rg-1)

Most residential customers use these rates.

| | Winter | Summer* |
|-----------------------------|-----------|-----------|
| Customer charge per day | \$0.28590 | \$0.28590 |
| Distribution service | | |
| per kWh | \$0.03100 | \$0.03100 |
| Electricity service per kWh | \$0.09246 | \$0.10296 |

Residential Electric Time-of-Use (Rg-2)

Can you use less than 35% of your electricity on-peak - from 10 a.m. to 9 p.m.? If so, this rate may save you money. Call 252-7222 to discuss before you change to this rate.

| | Winter | Summer* |
|------------------------------|-----------|-----------|
| Customer charge per day | \$0.28590 | \$0.28590 |
| Distribution service | | |
| per kWh | \$0.03100 | \$0.03100 |
| Electricity service per kWh: | | |
| - On-peak kWh | \$0.18010 | \$0.20500 |
| - Off-peak kWh | \$0.03360 | \$0.03360 |

This service is mandatory for customers with average daily use of 130 kWh or more during the summer billing season.

Residential-Controlled Water Heating (Rw-1)

An option if you have an electric water heater. In exchange for lower rates, your water heater is placed on a separate meter and a special timer to control when it operates. The charge for an electrician to install the meter and timer can cost you several hundred dollars.

| | Winter | Summer* |
|-----------------------------|-----------|-----------|
| Customer charge per day | \$0.11190 | \$0.11190 |
| Distribution service | | |
| per kWh | \$0.03100 | \$0.03100 |
| Electricity service per kWh | \$0.04331 | \$0.04970 |

*These prices apply from June 1 through Sept. 30.

(continued)