



To Our Customers:

In April 2025, Madison Gas and Electric (MGE) filed an application with the Public Service Commission of Wisconsin (PSCW) to increase electric and natural gas rates in 2026 and 2027.

Electric: MGE is proposing a 4.9% electric rate increase in 2026 and a 4.3% increase in 2027. The increase includes investments made in solar and battery storage; grid modernization projects, which upgrade our distribution system and provide for continued electric service reliability to customers; and the West Riverside Energy Center, which provides necessary reliability and dispatchability for our grid, helping to enable our transition to greater use of renewables and a decarbonized grid. The typical MGE residential electric customer using 500 kilowatt-hours a month would see a bill increase of about \$7 a month in 2026 and a bill increase of about \$3.75 a month in 2027. Impacts for nonresidential customers would vary by rate class.

Natural gas: MGE is proposing a 2.3% increase in natural gas rates for 2026 and a 2.2% increase in 2027. The primary reason for the increase includes continued investments in system modernization projects to maintain a safe and dependable system. Broken out monthly, the typical MGE residential gas customer using 720 therms per year would see a monthly increase in 2026 of about \$1.70 and a monthly increase in 2027 of about \$1.56. Impacts for nonresidential customers would vary by rate class.

Under this proposal, the average annual impact on MGE's electric rates from 2018 through 2027 will equal about a 2.4% increase. The average annual impact on MGE's natural gas rates from 2018 through 2027 will equal a 1.7% increase. While we recognize any increase is indeed an increase for our customers, both are below the rate of inflation, which is 3.3%, for that period.

The PSCW will solicit public comments on MGE's request at a time and in a format to be determined, including scheduling a hearing on the proposed increases in electric and natural gas rates at a later date.

If you have questions about MGE's rate case or the PSCW docket (3270-UR-126), please call:

- MGE at 608-252-7000 or 1-800-245-1125.
- PSCW at 608-266-5481, or visit the PSCW's website at www.psc.wi.gov.

Additional information about MGE's rate proposal also is available at mge.com/ratecase.

Para asistencia en español, por favor llame a MGE al (608) 252-7120.