



To Our Customers:

In April 2023, Madison Gas and Electric (MGE) filed an application with the Public Service Commission of Wisconsin (PSCW) to increase electric and natural gas rates in 2024 and 2025.

Electric: MGE is proposing a 3.75% electric rate increase in 2024 and a 3.41% increase in 2025. The increase includes investments made in solar, grid modernization projects 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. The proposed increase also is related to the collection of the escrow accounts for uncollectible costs, including costs related to COVID. The typical MGE residential electric customer using 500 kilowatt-hours a month would see a bill increase of less than \$5 a month in 2024 and a bill increase of less than \$5 a month in 2025. Impacts for nonresidential customers would vary by rate class.

Natural gas: MGE is proposing a 2.56% increase in natural gas rates for 2024 and a 1.66% increase in 2025. The primary reasons for the increase include continued investments in system modernization projects to maintain a safe and dependable system and the collection of the escrow accounts for uncollectible costs, including costs related to COVID. The typical MGE residential gas customer using 715 therms per year would see an annual increase in 2024 of about \$26 and an annual increase in 2025 of about \$13. Impacts for nonresidential customers would vary by rate class.

MGE works to keep costs down. Under this proposal, the average annual impact on MGE's electric rates from 2016 through 2025 will equal a 1.4% increase. The average annual impact on MGE's natural gas rates from 2016 through 2025 will equal a 1.5% increase.

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-125), please call:

- MGE at 608-252-7222 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 case also is available at mge.com/2023ratecase.

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