

Savings Extended for Another Year for MG&E Customers

PSC Approves Settlement Keeping Electricity Rates Below 2018 levels

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Customers of Madison Gas & Electric Co. will continue paying less next year for electricity than they were paying in 2018 under a rate settlement approved Tuesday.

The state Public Service Commission voted unanimously to endorse a rate settlement that will keep electricity rates at the same level in 2021 as it has been for the past two years.

The settlement incorporates savings on fuel costs and taxes to help offset the additional cost customers would otherwise be paying with MG&E's utility-scale solar expansion.

"Keeping rates stable was one element of this settlement that we like," said Tom Content, CUB executive director. "But it also served as an opportunity to push out innovative new offerings, like a Bring Your Own Device pilot program that helps customers save money by adjusting their smart thermostat on hot summer days."

CUB appreciated that the settlement includes a commitment to analyze in detail the energy burden borne by low-income customers of MG&E. This analysis could serve as a jumping-off point for innovative rate options for customers hard hit by this year's recession.

"We all need to keep focused on the needs of those who are struggling the most, and we hope this can be a step toward doing just that," said Content.

The COVID-19 pandemic was a critical factor driving negotiations this year. COVID-19 has affected all areas of the economy, including both utilities and their customers. Finding a way to keep electricity costs from going up in a pandemic was a goal for CUB and MG&E in this settlement.

This marks the second straight settlement CUB has negotiated with MG&E under the settlements law passed by the Legislature in 2018. Other stakeholders agreeing to the settlement included Renew Wisconsin, University of Wisconsin System and Wisconsin Industrial Energy Group.

More details on the settlement can be found here: www.cubwi.org/blog. Information about the case is available at the PSC under docket [3270-UR-123](#).

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The Citizens Utility Board is a member-supported, nonprofit organization that advocates for efficient and reliable utility service at the lowest rates possible consistent with sound business principles. CUB represents the interests of Wisconsin's residential, farm, and small business customers of electric and natural gas utilities before the Legislature, state and federal regulatory agencies, and the courts.