

THE POWER OF LOCAL OWNERSHIP

Community Minded

Community Proud

Community Owned



June, 2007

Dear Valued Consumer/Owners ,

Rice Lake Utilities would like to take this opportunity to thank you for your continued support and we certainly appreciate the opportunity to serve you with the most reliable and cost efficient electric, water and wastewater services available. Rice Lake Utilities is a Public Power Community in the true sense of the term and here to serve you, our consumer/owners.

Municipal electric utilities all across this great country, which total over 2000 and 80 in the State of Wisconsin alone, are in business because the municipality made a conscious decision many years ago to provide their constituents with the many benefits of Public Power. Municipal electric utilities make an ever-important financial contribution to the general fund tax base like no other.

They provide many additional benefits to the community while maintaining a close balance between rates and reliability. Rice Lake's electric utility alone, makes an annual tax payment to the City of Rice Lake in the amount of \$205,324. This is referred to as the payment in lieu of taxes and should not be confused with the diminishing amount of shared revenues the City of Rice Lake receives. The payment in lieu of tax will not likely diminish, but will increase with the additional infrastructure installed to serve new consumer/owners in our growing community. So you see, everyone benefits from Public Power.

Along with this benefit, Rice Lake Utilities consumer/owners enjoy some of the lowest electric, water and wastewater rates in the State of Wisconsin. The stated rates of returns are designed to be lower to allow municipal utilities to operate on less income, while at the same time being able to properly maintain and operate our systems, without being a financial burden to our customers. The last thing you need is out of control rising costs for your energy or other service needs.

Fortunately, Rice Lake has seen much economic success over the years and we would like to attribute some of that success to our ability to be extremely competitive with our services. We are totally committed to maintaining a quality of service standard we believe to be second to none. We are a public utility and encourage consumers to contact us with questions or comments regarding the services we provide. We would be happy to address your needs.

Thank you again and have a great summer.

Scott Reimer, General Manager



Montana Solum named Rice Lake Utilities Scholarship Winner for 2007

Matt Pociask, Rice Lake Utilities Electric Foreman, presented a \$500 scholarship on behalf of Rice Lake Utilities to Montana at the Rice Lake High School Academic Awards Banquet held in June. Montana is a 2007 graduate of Rice Lake High School and plans to attend college in the fall. Montana was active in DECA-2 years, SADD-3 years, National Honor Society Member-2 years, volleyball-4 years and soccer-4 years. Montana was also inducted into the Rotary Club in 2007. Montana explained in her winning essay that; "consumer/owned utilities are a huge asset to the people of Rice Lake. Being consumer-owned means that the consumer has a hand in how things are run. The consumer does not feel like they are on the outside watching a corporation run their utilities. They, rather, feel involved, part of the team. I believe that being consumer-owned is a "win-win" situation".

Congratulations Montana from all of us at Rice Lake Utilities and good luck in your future career!!



**Know what's below.
Call before you dig.**

Users of Diggers Hotline will have a new option for contacting Wisconsin's one-call center. 811 is designed to be an easy-to-remember three-digit number for anyone who plans on doing any excavating work in the country.

One easy phone call to 811 starts the process to get your underground utility lines marked for free. When you call 811 from anywhere in the country, your call will be routed to your local one-call center. Local one-call center operators will ask you for the location of your digging job and route your call to affected utility companies. Your utility companies will then send a professional locator to your location to mark your lines within a few days. Once your underground lines have been marked, you will know the approximate location of your utility lines and can dig safely, because knowing what's below protects you and your family.

Always call 811 before starting any digging project!

Rice Lake Utilities Financial Summary For 2006

(Electric Utility)

Serving 5,319 consumers	
Operating revenues	\$10,643,405
Operating expenses	\$10,123,318
Operating income	\$520,087
Rate of return on rate base	6.13%
Total plant in service	\$12,900,530
Purchased power costs in 2006	\$8,532,422
Tax Equivalent paid to the City of Rice Lake in 2006 \$205,324	

(Water Utility)

Serving 3,744 consumers	
Operating revenues	\$1,014,670
Operating expenses	\$935,030
Operating income	\$79,640
Rate of return on rate base	2.91%
Total plant in service	\$8,543,529
Gals. Pumped in 2006	598,232,000
Tax equivalent paid to the City of Rice Lake in 2006 \$115,890	

(Wastewater Utility)

Serving 3,730 consumers	
Operating revenues	\$1,194,811
Operating expenses	\$1,329,113
Operating income	\$(134,302)
Rate of return on rate base	-3.34%
Total plant in service	\$12,381,257
Wastewater gallons treated in 2006	567,942,000

RICE LAKE UTILITIES

Electric * Water * Wastewater

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