



News Release

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For Immediate Release

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KUB Community Relations

KUB Cost Savings Reduce or Eliminate Planned Rate Increases

KUB cost-saving measures have eliminated several previously planned increases in electric and natural gas utility rates and have reduced planned wastewater rate increases. The new projection also keeps the basic service charge flat over three years. Projected water rates are unchanged.

Chief Financial Officer Mark Walker advised the KUB Board of Commissioners today that these changes will allow the average customer with all four utility services to avoid paying up to \$150 over three years.

Financial planning on the new forecast will continue this fall. Official action on rates will be taken in May and June 2020.

The chart below summarizes KUB's rate forecasts for utility usage charges covering all four KUB utilities – electric, gas, water, and wastewater.

	FY 2021	FY 2022	FY 2023	3-Year Savings
Electric	No increase	No increase	\$1.00	\$78
Natural Gas	No increase	No increase	No increase	\$36
Water	\$1.50	\$1.50	\$1.50	\$0
Wastewater	\$1.50	\$1.50	\$1.50	\$36
Basic Service Charge (all utilities)	No increase	No increase	No increase	\$0
				\$150

Chart depicts average monthly residential increases for each utility over the next three fiscal years. Final column shows total impact of the avoided increases vs. previously planned increases.

"We know what an impact utility bills can have on customers' monthly budgets," KUB Board Chair Kathy Hamilton said. "We are very pleased that we can eliminate or reduce these increases while still meeting the needs of our utility systems."

A previously enacted rate increase from 2017 will take effect in October 2019 for both electric and natural gas customers.

Since 2011, KUB has made significant investments in infrastructure in all four utility systems through the Century II program, increasing reliability and providing better service for customers. Each system has been recognized with industry awards for outstanding performance. KUB still will be able to achieve its infrastructure improvement goals under the new rate forecasts.

KUB is a municipal utility serving Knox and parts of seven adjacent counties and provides electric, gas, water, and wastewater services to more than 461,000 customers.

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