



OWATONNA
PUBLIC UTILITIES

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CUSTOMER UPDATE

*Stay Warm
this Winter*



And keep costs down...tips inside

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OPU MEMO



Roger Warehime,
General Manager

OPU Commission

Matt Kottke
Kent Rossi
Randy Doyal
Jay Johnson
Doug Zirngible

In our August newsletter, I warned about increased utility costs coming this heating season. I said your natural gas prices could be 50% higher than last year and electricity prices would be higher as well because we were anticipating a rate increase from our wholesale provider, Southern Minnesota Municipal Power Agency, SMMPA.

The rate increase from SMMPA did in fact go into effect this month. Although OPU has not yet raised its rates to follow SMMPA, you will still be feeling the impact this month because the cost increase will be passed through to you in the Energy Acquisition Adjustment (EAA). The EAA is a line item which appears on your bill each month and it can be positive or negative because it is the difference between the actual cost of electricity and the cost which is assumed in our rates. Historically, this charge/credit has been very small because our electric costs have remained fairly consistent throughout the year. This year has been different.

On the natural gas front, things are looking a little bit better than they did back in August. Rather than a 50% increase, we are now projecting between 20% and 40%. The change in outlook has been due to warmer-than-normal temperatures

through October, both in the United States and Europe. You may recall what I said in my August memo about the exporting of natural gas to Europe and other parts of the world affecting our prices stateside. Because the price of natural gas is so much higher in other parts of the world, natural gas producers can make much more money exporting natural gas than they can selling it domestically; therefore, they will ship as much as they can, reducing the supply available for us. When the supply is reduced relative to demand, the price goes up.

Another factor which affects supply and demand, and thus pricing, is the amount of gas which is injected into storage reservoirs throughout the non-heating season in anticipation of needing to pull gas out of storage during the heating season. The market closely watches how much gas is in storage throughout the year. Back in August, we were "behind schedule" in getting the reservoirs filled because so much natural gas was being used to produce electricity. The warmer-than-normal temperatures in October helped get the amount of gas in storage back up to more normal levels. Europe's storage has actually improved to the point that they cannot inject any more gas into storage.

While the good news is that things may turn out to be better than we were predicting back in August, the bad news is we are still looking at rate increases. Although our budgets and rates for 2023 have not yet been approved by our commission, I can provide you a fairly good estimate of what the increases will be. Our electric rates will increase approximately 13-14%, our water rates will increase approximately 5%, and our natural gas, as I mentioned above, will be in the range of 20 to 40 percent. For the average residential customer, this translates to a monthly increase of between \$20 and \$35.

Although we can never be certain of what the future holds, there are factors in the wholesale markets that indicate we should see prices go back down to more normal levels after this winter. If/when that happens, you will see a reduction on your utility bill through our energy adjustment factors.

This issue of our newsletter includes some tips for conserving energy. Also, we are promoting our bonus double rebates for purchasing equipment and other measures which conserve natural gas.

I plan to provide another update about rates in January. In the meantime, I am hoping for continued warm temperatures in November and December because warm temperatures will cause natural gas prices to continue falling.

Winter Parking Ordinance

The Owatonna Police Department would like to remind our community members of the upcoming winter parking clause to the City of Owatonna parking ordinance which goes into effect beginning November 15, 2022, and remains in effect until March 31, 2023. The purpose of the ordinance is to facilitate snow removal and street maintenance. If it is necessary for you to park a vehicle on the street between 12:01 AM and 12:00 PM (noon), you should park on the even house numbered side of the street on even numbered calendar days and likewise, park on the odd numbered house side of the street on odd numbered days. If you park your car after 12:00 PM (noon) and intend to leave it parked overnight, you should anticipate the midnight date change. Also keep in mind that in December and January, we will have two odd days in a row, December 31st and January 1st. It is the responsibility of hosts to notify visitors or guests of the odd/even side parking restriction.

Odd/Even parking enforcement is not contingent on an impending snowstorm or a snow event. It is the objective of the Owatonna Police Department to educate our community members and seek voluntary compliance before enforcement action is necessitated. Education and voluntary compliance, followed by consistent enforcement, results in a significantly more effective and efficient street maintenance operation.

WINTER PARKING MAP WEBAPP

Use the Owatonna Winter Parking Map WebApp to see where to park for the winter parking restrictions in Owatonna that runs November 15 – March 31.

The Winter Parking Map WebApp will show where parking is allowed and those areas that are exempt from the winter parking restriction.

Easily search an address to determine the odd and even side.

Please review the initial screen when accessing the WebApp for pertinent information that explains how to interpret and understand the winter parking restriction.

- A green line indicates the side that is even.
- A red line indicates the side that is odd.
- A black line indicates this area is exempt from the winter parking ordinance due to restrictions.
- A yellow line will appear during 12:01 a.m. and 12:00 p.m. (noon) to indicate the side of the street you should park on if the area is not restricted.

Access the Winter Parking Map WebApp here or scan the code on the right with your phone.



SCAN ME

The Owatonna Police Department would like to thank everyone for taking the time to adhere to this ordinance. The general intent of this ordinance is to provide on-street parking for our residents and visitors and to assist the city street maintenance crews by ensuring efficient and effective snow removal that benefits all of us. The Owatonna Police Department wants to wish everyone a safe and joyous holiday season, and travel with care! For more information, please call the Owatonna Police Department at 507-774-7200.

MAYOR

Tom Kuntz

COUNCIL MEMBERS

Dan Boeke

David Burbank

Nathan Dotson

Kevin Raney

Greg Schultz

Brent Svenby

Doug Voss

Stay Warm this Winter

And keep costs down



With energy costs on the rise this winter, customers will need to take more steps than normal to keep utility bills down this winter. One of the best ways to do this is by reducing the temperature in the house to lower than normal. While this can sacrifice some comfort, there are steps you can take to help. The tips below are a few to try this winter. Additional tips can be found at: <https://www.owatonnautilities.com/residential-customers/conservation-tips/>



Wear slippers and socks. Keeping your feet warm will help you feel warmer in a cooler house.



Program your thermostat to reduce the temperature overnight.



An electric blanket or mattress pad will keep you toasty at night even while the house is cooler.



Keeping heat registers and vents clean of dust and clear of furniture will help improve your heating systems efficiency.



Adding reflectors behind radiators reduces the heat loss through walls, making it more comfortable in the home.



Add window insulation film to old, single pane windows and add a bead of caulking around the trim to keep out the cold air.



Turn off the electronics and enjoy physical activities with family, friends, or pets. Exercise and physical activity help the body stay warm long after you have stopped.



Use a space heater with a thermostat in a baby's room and allow the rest of the house to cool off. Make sure you are using a space heater with the proper safety features and follow the manufacture's safety instructions.



Double check the water heater temperature at the tap. If the temperature is over 120 degrees, lower the temp at the water heater and recheck the temp 24 hours later.



Use a humidifier and turn the thermostat down an additional 2 degrees. A dry house will feel cooler than a house with the proper humidity in the winter.



Owatonna Public Utilities is proud to be a drop off location, again this year, for Toys for Tots. Bring your unwrapped toy to our office before December 8th and receive an LED light bulb for free!

DON'T THROW AWAY OLD HOLIDAY LIGHTS. **RECYCLE THEM!**

Once you've purchased all the new energy efficient LED holiday lights you need this season (and applied for your rebate from Owatonna Public Utilities), what should you do with the old ones?

Owatonna Public Utilities will recycle all your old holiday light strands for FREE!

It's easy – just bring your old strands of lights into the Owatonna Public Utilities lobby and drop them in the bins designated for holiday light recycling.



Available now through Jan 31



BEWARE OF UTILITY SCAMS

If it seems too good to be true, it probably is. Scammers are constantly trying to get personal information from people. It seems like it picks up even more during the holiday season. If ever in doubt, hang up or slam the door, and call us directly at 507-451-2480. **Never** give personal information to someone you did not initiate the conversation with.



LED Light Bulbs

ON
SALE
NOW

Be Bright this fall!

Through December 31, while supplies last, our residential electric customers are eligible for reduced pricing on ENERGY STAR® qualified LED light bulbs from the local retailers listed below.*

ENERGY STAR-labeled LEDs use 80% less energy and last up to 25 times longer than incandescent light bulbs. But less watts doesn't mean less light. By replacing the five most-used bulbs in your home with LEDs, you can save up to \$40 in energy costs during the first year alone.

Remember, supplies are limited so get your discounted LEDs before they sell out!



**Alexander Lumber Co.
Arrow Hardware & Paint
Batteries + Bulbs
Lowe's Walmart**

* pricing may vary at participating retailers



Thursday and Friday
November 24 and 25
in observance of
Thanksgiving

Carbon Monoxide Poisoning or COVID-19?

SYMPTOMS:

Headache • Dizziness
Drowsiness • Weakness
Nausea • Vomiting
Convulsions

NO CO DETECTOR?
Feeling symptoms?
Do not call OPU. Call 911

CO DETECTOR ALARM?
No symptoms? Get out!
Call OPU: 507.451.1616

Learn more at [OwatonnaUtilities.com](https://www.OwatonnaUtilities.com)



NOTICE

CHANGE AHEAD

Gas True-up Charge

You may have noticed an additional item on your bill this month in the natural gas section. While this Gas True-up Charge (GTC) may be a new line item, it's not actually new. In the past it has been included in the Purchased Gas Adjustment (PGA) line item on your bill.

Separating the GTC from the PGA improves the accuracy and fairness of what you pay for natural gas. We have always had the PGA on your bill to correct for the difference between the cost of gas assumed in our base rates and the actual cost of natural gas. This adjustment is calculated every month and can be positive or negative. What you probably didn't know is that the adjustment included both a forward-looking projection and a backward-looking correction.

The forward-looking projection is based on the best information available for the current month including the cost of pre-purchased gas and our forecasted cost of gas we expect to purchase throughout the month. We hope our projections are close, but we can't predict the future, so there will always be some error. The backward-looking correction takes the gas cost and actual usage two-months-prior to calculate an adjustment for the error in the projection two-months-prior.

Breaking the GTC two-month-prior correction out into its own line item allows us to bill it based on the amount of gas you used two-months-prior rather than the amount of gas you are currently using. This is fairer because the gas costs and corrections are being applied more accurately to the customers who actually used the gas.

U.S. Natural Gas Bills Will Increase In All Regions This Winter

According to the U.S. Energy Information Administration (EIA), natural gas bills will increase in all regions this winter. Higher retail natural gas prices are the main reason – retail natural gas prices in the Midwest are expected to increase the most nationally, by 27% compared with last winter. Colder temperatures and increased household consumption also contribute to higher natural gas bills.*



Unfortunately, Owatonna Public Utilities has no control over the retail prices we pay for our natural gas supplies, but we are here to help guide you in ways you can lower your usage.

We offer valuable CONSERVE & SAVE® rebates on the purchase and installation of high efficiency natural gas equipment. How much can high efficiency equipment save you?

The U.S. Department of Energy estimates you can save about 30% on your utility bills through a combination of upgrading your HVAC system, properly air-sealing and insulating your home, and using a programmable thermostat.^

The great news is that we are offering DOUBLE REBATES on these items and more!

We also offer standard rebates on other natural gas items such as furnace fan motors, replacement doors, and water heaters. Visit www.OwatonnaUtilities.com for a list of rebates, amounts, and to download applications with complete terms and conditions. **While you're there, look for our Conservation Tips page for low-cost, no-cost ways to save!** If you have any questions, please call our Customer Service at (507) 451-2480.

CONSERVE & \$AVE®

*<https://www.eia.gov/todayinenergy/detail.php?id=54259>

^<https://www.energysage.com/energy-efficiency/why- conserve-energy/cost-of-ee/>



P.O. Box 800 208 S. Walnut Ave.
Owatonna, MN 55060

Office: 451-2480 Service: 451-1616

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POSTAL CUSTOMER
ECRWSS

OFFICE HOURS:

Monday-Wednesday:

8:00 a.m. - 5:00 p.m.

Thursday:

8:00 a.m. - 6:00 p.m.

Friday:

8:00 a.m. - 4:00 p.m.

Saturday & Sunday:

Closed

Payment Options

- Online at www.owatonnautilities.smarthub.coop
- Phone at (507) 451-2480
Option 2 or 1-888-228-2398
(Available 24/7)
- Automatic Withdrawal; bank account or credit card
- Drive-up drop box located in our parking lot
- Drop box locations at CashWise and HyVee Food Store
- Mail to P.O. Box 800, Owatonna, MN 55060
- ACH bank draft sent directly from your bank

Moving?

Remember to contact the Customer Service Department **ONE WEEK** prior to moving, 451-2480.



Celebrate with Savings!

LED Holiday Lights or Decorations:

REBATES UP TO \$12 PER STRING

Download a rebate coupon:
www.OwatonnaUtilities.com

CONSERVE & \$AVE®



Gas Leak?

If you smell gas and can't find the source immediately, go to a neighbor's house and call 911.

Don't turn electrical switches on or off or use a flashlight or cell phone in the home, because an electrical spark could ignite the gas and cause an explosion.



WWW.OWATONNAUTILITIES.COM