

CEC 2020 Rate Change FAQs

- What is the change to the Base Charge?
 - The change in the Base Charges differs per rate and schedule classification. Below is a list of rates and schedules affected. Increases for schedules not listed are applied equally.

SCHEDULE	PRESENT RATE	APRIL 2020 RATE
SCHEDULE A – Residential Service		
Distribution/Base Charge	26.15	28.70
SCHEDULE B – General Service		
Base Charge		
Single Phase	26.15	27.89
Three Phase	29.55	31.52
SCHEDULE CH – Church Service		
Base Charge		
Single Phase	26.15	29.06
Three Phase	29.55	32.84
SCHEDULE IGS – Intermediate General Service		
Base Charge	41.37	43.44
DISTRIBUTION:		
All kWh – per kWh	0.01187	0.01246
All kW – per kW	4.200	4.410
SCHEDULE LP – Large Power Service		
Base Charge	41.37	43.44
DISTRIBUTION:		
All kWh – per kWh	0.00242	0.00254
All kW – per kW	1.890	1.980
kVAR – per kVAR	0.053	0.056
SCHEDULE EE-LP-U – Large Power Service to Publicly Controlled Schools		
Base Charge	61.74	64.83
DISTRIBUTION:		
All kWh – per kWh	0.01210	0.01270
All kW – per kW	3.520	3.700
kVAR – per kVAR	0.050	0.052

- How much will my bill increase?
 - The cost-of-service study performed ensures that each member pays his or her fair share. Based on rate classification and consumption, the impact will vary per each member. The greatest difference is the change in our Base Charge. Therefore, low-use members will see the greatest impact. Based on average annual consumption, a residential member will see the following increase or decrease.
 - To identify your schedule, review the “Service Type” from your bill and match to the schedule list on our website www.comelec.coop/rates

- What does that base charge represent?
 - The base charge ensures that expectations for continuous power and outstanding member services are met. It gives each member a fair and equal share of the cooperative’s operations. It provides funds that must be invested back into the cooperative to maintain the quality, reliability and integrity of service that our members have traditionally counted on and come to expect.
 - Energy costs for Residential and General Service will remain the same

- When was the last increase?
 - The last cost-of-study was performed in 2015, resulting in a change of rates beginning January of 2016. Community Electric Cooperative works diligently to control costs, and we have kept our rates stable for the last four years. However, the most recent cost-of-service study indicated the need to update our rate structure to ensure that each member pay their fair share.

- Who determines when a rate increase is necessary and by how much?
 - Community Electric Cooperative’s Board of Directors and executive staff continuously monitor the financial stability of the organization to determine if or when a rate increase is necessary. To establish the new rate structure, an independent, experienced firm reviewed and recommended changes to our rates.

- What is the effective date of the new rate and when will I see this reflected on my bill?
 - The new rates will be effective April 1, 2020 and will be reflective on your bill thereafter.

- Will the new rates change the cost of my security light?
 - The rate changes will not change the cost of security lights.

- Did rates increase as a result of the deployment of advanced metering infrastructure?
 - No. The implementation of a rate increase is due to the cost of service study. This study examined the cooperative’s overall costs, poles, wires, hardware, materials, insurance, and additional items that allow Community Electric Cooperative to operate. The new metering system has aided in keeping cost down by allowing CEC to analyze and troubleshoot more quickly and effectively.

- Will commercial/industrial rates increase or is this applicable only to residential rates?
 - The cost of service study offers a comprehensive review of all rates to ensure that each member regardless of rate classification pays their fair share. Please refer to the copy of the rate schedules on our website for revised rate changes.

- Are copies of the rate schedule available?
 - Yes. All rate schedules are available on the website at www.comelec.coop/rates
 - You can also find a bill calculator on the website as well.

- How do I know which schedule class I am in?
 - You can identify your schedule via your bill. This information is located on your bill, labeled "Service Type".

- I understand that CEC has a program to help those in need in the community; are my rates being increased to support this program?
 - Community Electric Cooperative has helped those in need throughout our service territory for many years. The funds to support this program are not included in overall electric rates.

- Traditionally capital credits are returned to members; can CEC keep that money instead of increasing rates?
 - Community Electric Cooperative is a not-for-profit electric cooperative. Our not-for-profit status as well as our by-laws mandate that any margins (profits) made by the cooperative must be allocated to the membership in the form of capital credits. Annually, these amounts are retired.

- I understand that rates have not increased since 2016. Can we expect the same time frame with the new rates? Or is another rate increase anticipated and when?
 - Community Electric Cooperative partners with a third party to evaluate rates every three to five years. We are committed to doing our best to minimize the impacts to our members by being proactive in our power supply and operational planning and offering energy-savings tips and other programs. We are committed to maintaining the reliability, quality and integrity of our electric system.
 - The rates are reviewed every three to five years to prevent large swings in rate changes. These mild changes allow CEC to stay current with cost.

- What is CEC doing to keep the cost down?
 - Community electric does everything we can to keep costs down. Rates have not increased since 2016. Community electric strives to operate efficiently while adhering to our commitment of providing affordable, high quality and reliable electric service. We continuously evaluate our operations in an effort to keep rates as low as possible by:
 - Managing our power supply contracts;
 - Implementing beneficial technology, such as our outage management system or advanced metering infrastructure, to help control costs, provide operational efficiencies and increase reliability;

- Competitively bidding contracts to ensure quality service at the best possible price; and
 - Ongoing evaluation of our day-to-day operations for opportunities to improve and gain proficiencies.
- What can I do to reduce my electric costs, and can CEC provide any assistance in this area?
 - Community Electric Cooperative offers several ways to help members manage their electric bills. These services include using power more efficiently as well as flexible payment options, such as levelized billing and auto-bank draft.
 - Members may find helpful information about conserving energy on the Community Electric website.
 - In addition, you may also refer to the Cooperative Living Magazine where we traditionally publish energy-saving tips as a part of our monthly news pages.