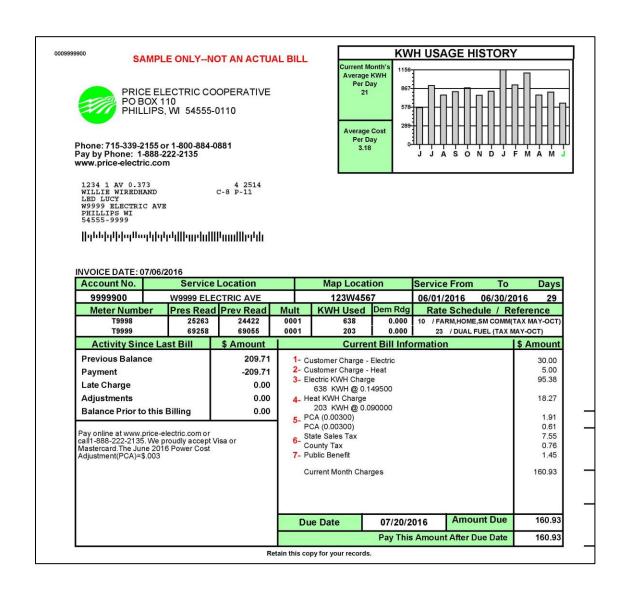
Dissecting Your Electric Bill

By William L. Caynor Sr., Price Electric Cooperative CEO

Have you ever looked at your electric bill and questioned what you were actually paying for or what some of the charges represented? Well, let's talk about it for a moment, and hopefully those questions will be answered. To make it easier I will concentrate on a residential or seasonal account, which is 96% of Price Electric's membership base. The first item listed on the bill is the customer charge (#1 in the sample bill pictured). This is a fixed charge, which represents the cost of the infrastructure (lines, poles, transformers, substations) as well as the cost of maintaining that infrastructure. Essentially, this is the cost to bring electricity to your meter. If you have a dual fuel account, there is a lesser fixed fee charge attached; this is for the second meter (#2 in the sample bill pictured).



The next component is the Electric kWh Charge (#3 in the sample bill pictured), which is the energy rate times your electrical usage for the month. This is based on a unit of measure of a kilowatt-hour (kWh), which equates to 1000 watt hours and will power a 100-watt light bulb for 10 hours. This is somewhat controllable, as opposed to the fixed expense, and is driven by your needs and lifestyle, and sometimes by your children. Hence, the common phrase, "turn off the lights." One 60-watt incandescent bulb used for six hours a day costs almost \$18 a year. Now magnify that by more hours or light bulbs in your home and it can be significant. Hopefully most of you have already converted to Compact Fluorescent Lights (CFL) or better yet, Light Emitting Diode (LED) bulbs, which can save as much as six times the expense per year. But all is de minimis when 15 minutes of daily use of a hair dryer costs just as much. Electric heat, water heaters and dryers are your big consumers. Understanding energy consumption is key to conservation and savings.

Back to your electric bill. If you have a dual fuel meter, you will have another energy rate that is less than the regular rate as a value for participating in the load management program (#4 in the sample bill pictured). If you're interested in learning more about the dual fuel program, please contact our Member Services Manager, Greg Bortz, at our office number. The next line item is the Power Cost Adjustment (PCA--#5 in the sample bill pictured). This is the rate adjustment of .003 per kWh approved by the Board in 2015, with the addition of your Power Supplier, Dairyland Power Cooperative's (DPC), monthly credit or debit. DPC's PCA is derived from their monthly expense-to-budget comparison on every given month. All expenses above or below 10% of the monthly budget are given back or charged to their Cooperative members. These credits or debits are a direct pass through to you, the member. Just a side note worthy of mentioning, other than the PCA adjustment, your energy rates from Price Electric haven't increased since 2013.

Unless it's during the annual moratorium from November 1 to April 15, you will find both the state tax of 5% and the County tax of .5%, which is calculated at the bottom of your bill (#6 in the sample bill pictured).

The Public Benefit (#7 in the sample bill pictured) cited on your bill is a monthly fee required under WI Reliability 2000 legislation. This fee must be 3% of the monthly electric bill, not to exceed \$1.67. The revenue is allocated with a fifty-fifty split between the Wisconsin Home Energy Assistance Program (WHEAP) and Focus on Energy (FOE) program. Last year, Price Electric members paid \$72k into WHEAP and received almost \$130k in benefits. The FOE program was created to provide incentives and promotion of energy conservation. If you are interested in more information related to this program, please contact Greg Bortz.

Other items to call your attention to are your kWh usage history so that you can compare 13 months of consumption, to include that month, one year ago, to verify patterns and trends. If your meter has been exchanged during the previous 12-month period, the month that the meter was exchanged will be represented twice in the graph (once with usage from the old meter for that month and once with usage from the new meter). The usage per day and cost represents only the consumption at the energy rate and not the other components mentioned in this article. You should also recognize that there might be more days within a billing cycle than the prior month which would accumulate more expense. The billing days represented on the bill are a standard auto placement, but do not reflect the actual billing days that could be adjusted. This could occur because of an automated meter reading problem or a delayed read, which could require a monthly estimate or the utilization of a read from a previous day, any days not read that month, would be added to the following month. The new metering solution that is presently being deployed will eliminate many of the old meter reading issues and will assist to provide timely and accurate readings.

That's it in a nutshell, I hope you found this detailed rending of your electric bill beneficial, as we continue to inform and serve you, our member/owners, to the best of our ability.