



Chariton Valley Electric Cooperative, Inc.

Your Touchstone Energy® Partner



Rate Increase FAQ

Rate Increase Start Date – May 1, 2023

<i>Questions</i>	<i>Answers</i>
Who determines when a rate increase is necessary?	<p>CVEC's Board of Directors, with the information from our cost of service study, set the cooperative's electric rates. Directors are CVEC members who pay the same rates as you. They are elected by you and other members each year.</p> <p>We understand the slightest of increases can be challenging, and we do NOT take this lightly, but determined it was necessary to cover operating expenses and keep the cooperative financially sound.</p>
How did we determine how much to increase rates?	<p>CVEC conducted a cost of service study, which is a comprehensive review of all rates and used this study to align our rates with providing our members safe and reliable service 24/7, 365 days a year.</p> <p>We also take into consideration power supply costs, distribution expenses and overall inflation.</p>
How does CVEC's rates compare to other electric utilities?	<p>For perspective, CVEC's cents per kWh are lower than the state average (12.7¢) and below the national average (13.7¢) as well</p> <p style="text-align: right;"><i>Source: U.S. Energy Information Administration</i></p>
How will my bill be impacted?	<p>If you are a MSR, use the calculation spreadsheet to help them understand how this will impact their bills on average.</p> <p>If you are not a MSR, or are in public when a member asks, direct them to call the office and one of CVEC's MSR's will gladly help them calculate and understand the impact.</p>
Why did you change the name from "facility charge" to "service availability charge"?	<p>We renamed the fixed portion of your monthly bill to better align this fixed cost with what it actually covers – the items required to make service available at your location.</p>
What is a service availability charge?	<p>This charge covers the basic daily cost for availability of service at your location.</p> <p>This fixed portion of your bill accounts for a majority of the cooperative's investment in poles, wires, transformers, meters</p>

	and the maintenance required to deliver safe and reliable service to your residence or business 24/7, 365 days a year.
What is CVEC doing to keep costs down?	<p>CVEC strives to operate efficiently while adhering to our mission of providing safe, reliable and competitively price electricity to our members. This means we are always looking for ways to manage costs. CVEC has not raised rates since 2016 due in part to these efforts:</p> <ul style="list-style-type: none"> • Competitively bidding all contracts to ensure quality service at the best possible price • Ongoing assessments of our daily operations for opportunities to streamline or improve efficiencies • •
What can I do to reduce my electric costs?	<p>Although the cooperative finds it necessary to adjust our rates, please know CVEC is committed to helping our members take control of their energy usage, become more energy efficient and improve the ways you use energy . Here are some ways you can do that:</p> <ul style="list-style-type: none"> • Manage your energy use through the MY CVEC App • Utilize budget billing to level out payments throughout the year • Take advantage of energy efficiency rebates • Conduct an energy audit and implement suggestions
Closing	<p>Maintaining reliable service at a competitive price remains the cornerstone of our business. CVEC, our directors and our employees will continue to do our best to control costs and protect the safe, reliable and competitively priced power you have come to expect.</p>

Rate Classes	Current Energy Charge	New Energy Charge	Current Facility Charge	New Service Availability Charge
Residential – Rural & City	\$0.098/kWh	\$0.112/kWh	\$35.00/month	\$41.50/month \$1.36/day
Small Commercial	\$0.099/kWh	\$0.112/kWh	\$35.00/month	\$41.50/month \$1.36/day
Three Phase 100 – 500 kVA	\$0.048/kWh	\$0.048/kWh	\$65.00/month	\$120.00/month \$3.95/day
Three Phase 500 – 1000 kVA	\$0.048/kWh	\$0.048/kWh	\$134.00/month	\$200.00/month \$6.58/day



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Three Phase 1000 – 2000 kVA	\$0.048/kWh	\$0.048/kWh	\$134.00/month	\$250.00/month \$8.22/day
Three Phase > 2000 kVA	\$0.048/kWh	\$0.048/kWh	\$324.00/month	\$350.00/month \$11.51/day

Notes:

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