

Oconto Electric Cooperative April 2024 Rate Increase

Frequently Asked Questions

When does the rate increase go in effect?

The April 2024 rate increase is effective starting April 1st, 2024. This increase will appear on the bill you will receive in the beginning of May 2024.

What can residential customers expect to see on their bills after the rate increase?

The Facility Charge will reflect an increase of \$4.00 per month. The \$/kWh rate will be the same.

For reference: The current average kWh usage for residential accounts is 1,030 kWh/month. The impact of the facility charge increase on an average member's overall bill comes out to approximately a 2.5% increase.

What can seasonal customers expect to see on their bills after the rate increase?

Seasonal accounts have changes to their facility charge and their energy charge:

- Facility Charge: Seasonal accounts will see an increase of \$4.00 per month in their facility charge (same increase as residential).
- Energy Charge: The energy charge for seasonal accounts has a **total** increase of \$0.0092/kWh. However, the billing structure of seasonal accounts has been changed to mirror residential accounts. See below:

Old Seasonal Bill Format		New Seasonal Bill Format	
Facility Charge	\$36.25	Facility Charge	\$40.25
Energy Charge	\$0.1086/kWh	Wholesale Power Cost	\$0.0898/kWh
Power Cost Adj	\$0.0040/kWh	Wholesale Power Cost Adj	\$0.0040/kWh
		OEC Operating Cost	\$0.0280/kWh

What was previously called "Energy Charge" has now been broken into two separate line items (in red). The total of these two lines together equals \$0.1178 per kWh, compared to the old energy charge rate of \$0.1086 (\$0.0092 increase overall in per/kWh charge). This makes the seasonal and residential per/kWh costs the same.

What determines if my service is on a residential or seasonal rate?

A service is considered residential if it is your primary residence. If the property is not your primary residence, then it is classified as seasonal.

Why did seasonal per/kWh rate increase but not residential?

In a previous rate increase, the seasonal per/kWh charge had not been increased to keep up with the residential rates.

What does the facility charge cover?

The facility charge is the monthly minimum needed to cover the costs of providing access to electricity before any energy is used. OEC incurs expenses such as poles, wires, vehicles, and labor in order to build and maintain our electric system and provide customer service.

Why is OEC's facility charge higher than WPS or WE Energies?

Because most of our service territory is rural, we have less members-per-mile of line than larger neighboring utilities. Oconto Electric has approximately 7 members per line, compared to our neighboring utilities who have 20 or more members per mile. This means that the cost of our infrastructure is shared by less members than the bigger utilities.

Are other rates affected by this increase?

Yes. Please call OEC at 920-846-2816 to inquire about rate changes for commercial and large use rate schedules.