

2024 Rate Adjustment FAQs

1. What is the actual change? When will I see it on my bill?

Effective April 1, 2024, Warren RECC's distribution charge will increase by **\$3.00** as follows:

Rate Class	Distribution Charge
Residential Rate (RS)	\$ 23.86
Supplemental Residential Rate (SRS)	\$ 25.40
General Power Rate (GSA-1)	\$ 25.40

Additionally, the residential energy charge will increase by \$0.00030 per kilowatt hour.

You will see this change on the bill you receive in April. On average, residential members will see an increase of approximately 2.3% on their bill.

2. What is the Distribution Charge? What does it pay for?

The Distribution Charge helps cover Warren RECC's cost to deliver power to the meter before any power is used and includes meters, poles, transformers, wires, and service-related operating costs. This charge varies by rate class. It helps us keep pace with needed investments to improve both capacity and reliability.

Because all members benefit from having reliable electric service available when they want it, the Distribution Charge helps to ensure that everyone pays a fair share of basic costs.

3. Will commercial/industrial rates increase too or is it just residential rates?

Some commercial and industrial members will also see an increase in the Warren RECC portion of their rates.

4. Are the rates available to the public?

Yes, our rates, as well as an explanation of the charges on your bill, are available on our website at www.wrecc.com or at any of our four Warren RECC offices.

5. Is this increase due to the broadband projects?

No. When our board authorized our broadband efforts to serve our members' needs, they specifically required that broadband effort be self-sustaining.

6. Why does my bill fluctuate?

Your bill fluctuates monthly and is mainly driven by three components:

- usage - how much electricity the devices in your home use (kWh),
- electric rates - composed of TVA's approved energy rate per kWh and Warren RECC's distribution charge, and
- TVA's Energy Fuel Cost, also known as Fuel Cost Adjustment (FCA), is determined by TVA on a monthly basis. TVA's FCA covers the cost of fuels that TVA uses to generate electricity at their natural gas, nuclear, and coal power plants.

7. Who determines when a rate increase is necessary and by how much?

Warren RECC's Board and management team continuously monitor the financial needs of the organization to fulfill our mission to serve our members to determine if or when a rate increase is necessary. If an increase is determined to be necessary, it is then submitted to our regulator, TVA, for approval.

8. Why are bills higher in the winter and the summer?

Noticeable increases in your winter and summer bills are most likely due to increased usage because of the weather during those months. For most members, heating and air conditioning usage are approximately 50% of your overall bill. However, TVA, our wholesale provider, does charge Warren RECC slightly higher seasonal rates during winter and summer months, so our retail rates are higher in those periods to cover TVA's wholesale electric charges.

9. How Do Warren RECC rates compare to other utilities?

Warren RECC's residential rate is below the average residential rate across the TVA service territory, including our Distribution Charge. Warren RECC is a non-profit which means every dollar goes back into maintaining our assets and making sure the power you receive is safe and reliable. As a cooperative, our first concern is our members, and we work every day to ensure our rates are as low as possible for our members.

Electricity remains one of the most cost-effective purchases made in today's households:

- For the cost of a fast-food meal, you can power your home for an entire day.
- Heating water in your home costs about \$36 per month
- Running your refrigerator/freezer (22 cu. ft.) costs about \$6 per month
- On average, doing laundry using washer and dryer costs about \$10 per month
- Operating a home office costs about \$5 per month.

10. How can I keep my electric costs low? How can Warren RECC help me?

Visit us at www.wrecc.com for information on home energy efficiency programs.

Also, Warren RECC offers secure and convenient online access to your account via SmartHub. With SmartHub, you can manage your account online, monitor your electric usage, and set usage alerts. You can register at www.wrecc.com/smarthub and/or download the FREE app to your smart phone or mobile device (Android or iOS).