

## Rate Adjustment: Frequently Asked Questions (FAQ's)

**Q:** Will my bill go up?

A: There will be an approximate fifteen (15) percent rate increase for all rate classes. Even with these adjustments, REA Energy's kWh rates remain one of the lowest in the state and in our area.

- For residential appliance meters, the rate is increasing from \$0.09181 to \$0.10465 per kWh, and the service charge will be increasing from \$32.00 to \$37.50.
- If you have an electric heat meter, the rate is increasing from \$0.08232 to \$0.09465 per kWh; you may notice a slight increase in your bill.
- Dual Fuel and ETS heat rates are increasing from \$0.05513 to \$0.06495 per kWh; you may notice a slight increase in your bill.
- Outdoor lights will be increasing from \$14.25 per month to \$15.95 per month.
- Commercial rates will also be increasing slightly as follows:
  - Small commercial accounts No Demand The rate is increasing from \$0.09181 to \$0.10465 per kWh, and the service charge will be increasing from \$38.50 to \$44.50.
  - Small commercial accounts With Demand The rate is increasing from \$0.06520 to \$0.07495 per kWh, and the service charge will be increasing from \$95.00 to \$120.00. The demand charge will increase from \$10.30 to \$11.95.
  - Large commercial accounts The rates are increasing from \$0.05229 to \$0.05995 per kWh. The service charge will be increasing from \$190.00 to \$240.00. The demand charge will increase from \$14.20 to \$16.45.
- Q: Why is there an increase?

# A: In the last several years the cooperative's revenue has remained relatively flat, while the following have increased:

- Operating Costs.
- Cost of maintaining the cooperative's Right-of-Way program.
- Rise in prices of capital items (poles, wire, etc.)
- Since the last Rate Adjustment in 2020, inflation has caused a rise in prices of all goods; some items in the electric distribution industry have seen price increases of thousands of dollars.

## **\*OUR RATES STILL REMAIN ONE OF THE LOWEST IN THE STATE\***



Q: How can I pay my bill?

#### A: REA Energy Offers several payment options, including:

- Online through SmartHub, available at <u>www.reaenergy.com</u>. One-time payment by credit card/check, enrollment in autopay, schedule future payments (all SmartHub options are FREE).
- MyREAEnergy smartphone App (available for Apple and Android products). Same payment options as online with SmartHub.
- Payment by phone: Call 844.920.3395. Currently payment by card is the only option available. Members can make one-time payments or set up autopay. Available 24/7.
- Office: available 7am-3:30pm by cash, check, money order or credit card.
- Mail: payment by mailing your check or money order, along with your monthly bill.
- Drop Box: leave payments in drop boxes at either location 24/7.

Rate Category	Current Rate	New Rate	Current Service Charge	New Service Charge
Residential	\$0.09181/kWh	\$0.10465/kWh	\$32.00/month	\$37.50/month
Small Commercial – No Demand	\$0.09181/kWh	\$0.10465/kWh	\$38.50/month	\$44.50/month
Electric Heat	\$0.08232/kWh	\$0.09465/kWh	N/A	N/A
Dual Fuel & ETS	\$0.05513/kWh	\$0.06495/kWh	N/A	N/A
Outdoor Lights	\$14.25/month	\$15.95/month	N/A	N/A

#### For member's reference:

Rate Category	Current Rate	New Rate	Current Service Charge	New Service Charge	Current Demand Charge	New Demand Charge
Small Commercial With Demand	\$0.06520/kWh	\$0.07495/kWh	\$95.00/mth	\$120.00/mth	\$10.30	\$11.95
Large Commercial	\$0.05229/kWh	\$0.05995/kWh	\$190.00/mth	\$240.00/mth	\$14.20	\$16.45



### **Additional Information:**

One of the biggest costs affecting not only cooperatives, but also the entire electric utility industry are recent increases in electric generation and transmission costs. Sixty-five (65) percent of your power comes from two generation sources that Pennsylvania and New Jersey cooperatives own. The balance is purchased on the open market. The wholesale power generation cost has been increasing steadily over the past year. In October 2022 we received a forty-six (46) percent wholesale power increase. The good news is that our generation company was prepared and able to reduce this forty-six percent increase to almost half (this is around twenty-six (26) percent) over the next two years, which will smooth out the increase over a two-year period.