## Adjustment of Rates for Clay Electric Members

t was announced at the Annual Meeting of Members of Clay Electric Cooperative, Inc. held Sept. 3, 2009 and in previous editions of the Illinois Country Living Magazine that due to increases in wholesale power costs that an increase in rates would be necessary beginning Jan. 1, 2010. Increases in wholesale power costs began in 2007, continued in 2008 and 2009 and will continue in 2010. The cost of wholesale power has increased 52 percent from 2006 to 2010.

The Board of Trustees has made every effort to gradually increase the rates that you pay to cover the increase in wholesale power costs. This is the reason that even though the increased cost associated with wholesale power in 2010 will amount to approximately \$740,000, only about \$410,000 of this will be passed on in the rates to the members during 2010. The balance will be passed on in 2011.

The changes that will be made to the rates are based on a Cost Of Service (COS) study that has been conducted by the engineering department at the Association of Illinois Electric Cooperatives. As a result of the change in the Residential Rate 1, Rates 11 and 12 (grain drying) and Rates 21 and 31 (electric heat) will all be affected. All other rate classes will also be affected.

The old and new rates are shown below for Rate 1 and a few examples

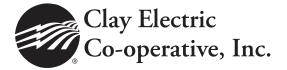
are listed to give an idea as to how your bill might be affected. If you need help in determining what the effect will be on your bill, please contact the office. Prior to bills being sent out February 2010 you will be sent a letter giving more detailed information regarding the specific rate that your account is billed on.

If you rent a security light where the co-operative provides the electricity for the light, the monthly rates of \$9.65 and \$13.50 will be increased to \$10 and \$14 respectively.

Old Rate 1		New Rate 1	
Facilities charge	\$30.00	Facilities charge	\$30.00
First 1000 kWh	.10481 per kWh	First 1000 kWh	.11452 per kWh
All kWh over 1000	.07475 per kWh	All kWh over 1000	.08167 per kWh

## Table of Usage and Costs (Rate 1)

Monthly kWh usage	Old Rate \$	New Rate \$	Difference \$
0 kWh	30.00	30.00	0.00
250 kWh	56.20	58.63	2.43
500 kWh	82.41	87.26	4.85
750 kWh	108.61	115.89	7.28
1000 kWh	134.81	144.52	9.71
1500 kWh	172.19	185.36	13.17
2000 kWh	209.56	226.19	16.63
3000 kWh	284.31	307.86	23.55



The new rates will take effect Jan. 1, 2010 and will be reflected in the February 2010 bill.