MONROE ELECTRIC NEWS
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Your Touchstone Energy® Cooperative

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Across The President's Desk

Working towards a sustainable and efficient energy future

As we approach the conclusion of yet another year, let's reflect on what lies ahead in 2024. Over the past three to four years, we successfully maintained stable rates, albeit with a slight uptick in 2023, marked by a 1.5 cent adder in the PCA allocation line on your electric bill.

MCEC has diligently completed its Cost-of-Service Study (COSS) and Rate Design for 2024. Similarly, SIPC has undergone a COSS and revamped its rate structure for the upcoming year and beyond. Now that the proposed rate change has been officially approved by the SIPC board of directors, we can seamlessly transition to implementing the necessary adjustments.

Taking a step back, let's revisit the significance of a COSS and its implications for MCEC. The COSS serves as a crucial tool in helping us calculate:

1. **Revenue Requirements:** Determining the necessary revenue to meet our operational needs.

2. **Cost-of-Service Study:** Identifying from whom the revenue should be collected, considering that different rate classes have distinct load profiles. The COSS aids in allocating these costs effectively.

3. **Rate Design:** Establishing how services should be priced for each rate class.

The analysis of revenue requirements involved a comprehensive examination of Operating Expenses (2023 Budget), Capital Expenses (2023 Budget), Capital Credit Retirements (25-30 years), and Debt Service (2023 Budget). The results indicated an approximate 3.3% increase for 2024, reflecting elevated power costs from SIPC, inflationary pressures on materials, and an increase in interest rates for capital improvements.

Furthermore, the Cost-of-Service Study guided us in determining where the revenue should originate. In response, MCEC is streamlining rates for 2024, resulting in three consolidated rate classes: Residential Rate 1, Small Commercial Rate 23, and Large Commercial Rate 13. These rates will serve as the foundation for collecting the necessary revenue to meet our requirements.

Rates

1. **Rate 1: will have the following rates consolidated into this category:**
   - **Rate 1**
   - **Rate 16 – Electric Heat**
   - **Rate 30 – Waterloo Residential**

2. **Rate 23: will have the following rates consolidated into this category:**
   - **Rate 23**
   - **Rate 31 – Waterloo Three Phase**

3. **Rate 13: will have the following rates consolidated into this category:**
   - **Rate 13**
   - **Rate 31 – Waterloo Three Phase**

These different rate categories will see differing rate increases for 2024. The increases reflect the load factor profile and end subsidies across the rate classes. Here is what the residential classes will see for changes in 2024.

1. **Rate 1:**
   - Current residential rate members will experience a 2.1% increase in their 2024 electric bill.
   - The average user consuming around 1,071 kWh per month can expect an $3.70 increase.

2. **Rate 16:**
   - Winter bills will incur a larger increase due to the distribution delivery charge being applied in the months of October through May.
   - The increase during these months is projected to be 9.1%, translating to approximately $23.64 more for the average user in Rate 16.
   - On the contrary, summer bills will witness a decrease in their monthly electric bill by 3.5%, resulting in a savings of approximately $8.82 per month.

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("Energy future" continued from page 18a)

3. **Rate 30:**
   - Current residential members in this rate class are expected to experience an approximate 6.3% increase.
   - The average user in Rate 30 will see an increase of $10.31 per month.

Electric Bill Rate Design

The upcoming changes in the electric bills are part of a slightly revamped structure aligned with SIPC's new framework. This redesigned format is aimed at facilitating MCEC's efforts to enhance our load factor, exercise greater control over our monthly power bill, and empower members with flexibility to potentially save on their monthly expenses. The new design is a strategic move towards optimizing efficiency and ensuring a more tailored and beneficial experience for our members. As we embrace these changes, we look forward to fostering a mutually beneficial relationship that prioritizes both cost-effectiveness and individual empowerment.

Current Rate 1:

Consumer Charge -	$45.00
Distribution Delivery Charge -	kWh usage X $0.0222
Energy Charge -	kWh usage X $0.0907
Demand -	KW X $0.00
Power Cost Adjustment -	kWh usage X number calculated.

New Rate 1:

Consumer Charge -	number of days in billing cycle X $1.645
Distribution Delivery Charge -	kWh usage X $0.028
Energy Charge -	kWh usage X $0.08864
TOU Demand Charge -	KW X $2.09
Margin Stabilization -	kWh usage X number calculated.

The introduction of new rates will bring about changes in the monthly billing structure, with a significant addition being the Time of Use (TOU) Demand Charge. Members have been familiar with the monthly demand number on their electric bills since April of 2022, and now, SIPC is implementing a two-part demand charge. This innovative approach allows us to incorporate a time-of-use component into our billing system.

By encouraging members to adapt their electricity usage to different times of the day and avoid peak periods, MCEC aims to improve its load factor, subsequently reducing power costs. This shift also empowers members to exercise greater control over their monthly usage, resulting in more consistent and potentially lower costs throughout the year. We are developing specific time frames to guide members in determining optimal usage patterns for various appliances, contributing to a more favorable load profile for MCEC.

Initially, there will be two daily time frames of focus. The first spans from 6 am to 9 am and the second spans from 4 pm to 7 pm which is strategically chosen to control evening load. It's essential to note that these times are approximate and subject to adjustments to align more accurately with SIPC's load profile.

This move towards time-of-use pricing and load management reflects our commitment to energy conservation. As the cost of energy rises and our energy portfolio faces increasing restrictions, coupled with higher interest rates for borrowing and escalating material costs, a rate increase has become necessary. MCEC remains dedicated to navigating these challenges while working towards a sustainable and efficient energy future.

ENERGY EFFICIENCY TIP OF THE MONTH

During winter months, ensure your home is well sealed to reduce the need for excessive heating. Seal air leaks around your home and add insulation where needed to save up to 10% on annual energy bills.

Install weather stripping on exterior doors and apply caulk around windows. Check attic insulation levels and hire a qualified contractor if additional insulation is required.

Source: energystar.gov

MCEC surpasses blood donation goal

MCEC hosted another successful blood drive on Nov. 30. With an initial goal to collect 20 pints, we are thrilled to announce that together we not only met but exceeded our target by collecting an incredible 27 pints of blood.

This outstanding achievement was made possible by the unwavering support of those who patiently endured long wait times. Your participation and generosity made a significant difference and potentially could save numerous lives.

A special congratulations goes to Sharon Wiskamp from Freeburg, who was the winner of our $75 gift card.

As we wrap up this successful blood drive, we look forward to the possibility of seeing returning donors and new donors again next year. Thank you for making this event a success, and for contributing to the well-being of our community.

Understanding Time of Use Energy Rates

Time of Use (TOU) energy rates are a pricing structure that aims to reflect the varying costs of electricity production and delivery throughout the day. Unlike traditional flat-rate billing, TOU rates offer consumers the opportunity to save money by adjusting their energy consumption habits to coincide with periods of lower electricity demand.

What are Time of Use energy rates?

Time of Use energy rates involve dividing the day into distinct periods, each with its own associated electricity price. These periods are typically referred to as peak, and off-peak periods. The goal is to encourage consumers to shift their energy usage from peak periods, when electricity is most expensive, to off-peak periods.

Peak and off-peak periods:

- Peak periods: These are periods when electricity demand is at its highest, often during the late afternoon and early evening when people return home from work. Electricity rates are highest during these hours to reflect the increased strain on the power grid.
- Off-peak periods: These are periods when electricity demand is lowest, usually during late night or mid-morning. Off-peak rates are lower, encouraging consumers to perform energy-intensive tasks during these periods.

Benefits of Time of Use energy rates:

- Cost savings: TOU rates provide an opportunity for consumers to reduce their electricity bills by shifting energy-intensive activities to off-peak hours.
- Grid optimization: By incentivizing consumers to use electricity during off-peak periods, TOU rates help balance the load on the power grid, reducing the need for expensive infrastructure upgrades to meet peak demand.
- Environmental impact: Offsetting energy consumption to off-peak hours can also contribute to environmental sustainability by promoting the use of renewable energy sources during periods of lower demand.

Strategies for optimizing Time of Use energy rates:

- Time-shifting activities: Perform energy-intensive tasks such as laundry, dishwashing, and charging electric vehicles during off-peak hours to take advantage of lower rates.
- Smart home technology: Utilize smart thermostats, smart appliances, and other automated devices to schedule energy-consuming activities during off-peak periods.
- Energy monitoring: Stay informed about your energy consumption patterns to make informed decisions about when to use electricity and minimize usage during peak periods. This can be done through our SmartHub app.

Time of Use energy rates offer a dynamic and responsive approach to electricity pricing, encouraging consumers to be more mindful of their energy consumption habits. By understanding the peak and off-peak periods, and employing smart strategies to optimize energy usage, consumers can not only reduce their electricity bills but also contribute to a more sustainable and efficient energy infrastructure.

MCEC line outages November 2023

Date	Duration	# Out	Map Location	Cause Desc	Substation
11/01/23	1:31	19	Algonquin Forest	Other, Deterioration	Millstadt
11/02/23	0:45	4	Dori Ln	Small Animals or Birds	Millstadt
11/03/23	0:45	6	Bluff Rd	Vehicles or Machinery	Fountain
11/04/23	1:28	8	G Rd	Other, Deterioration	Fults
11/05/23	2:29	2	Olive Tree Ln	Other, Deterioration	E. Carondelet
11/06/23	1:15	2	Bohleysville Rd	Small Animals or Birds	Millstadt
11/07/23	0:43	21	J Rd	Vehicles or Machinery	Poe
11/08/23	1:16	2	Levee Rd	Small Animals or Birds	Columbia

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