

# The Circuit!

Sept/Oct Special Edition

A publication for our Members  
in the counties of  
*Atoka • Bryan • Choctaw  
Coal • Johnston*



## Trustees Approve Rate Revision

By Jim Coleman

The Southeastern Electric Cooperative (SEC) Board of Trustees is responsible for adopting rate policies that allows the Co-op to collect the revenue necessary to ensure safe, dependable electric service and to maintain all financial ratios as required by the Rural Utility Services (RUS). Based on the August approval of the Cost of Service study, SEC will implement a rate increase for September billing for all classes of consumers.

SEC's last Cost of Service Study and Rate Revision was conducted in 2013. The Board of Trustees working closely with Management has managed the revenues and expenses of the Co-op these past eight (8) years in a very responsible and efficient manner. Because of sound financial decisions continuing to be made on behalf of the membership, the Board is pleased to put forth a very modest rate increase that will almost be un-noticeable to the average residential rate class consumer.

SEC Board of Trustees called upon C. H. Guernsey & Company of Oklahoma City to conduct this "Cost of Service Study." This study provides an in-depth analysis of the Cooperative's power costs, revenues and expenses associated with each rate class. A full report was presented to the Trustees at the February 2021 Board meeting and again at the August 2021 meeting, detailing Guernsey's analysis and recommendation of **fair and equitable** rate treatment of each rate class.

The rate revision will be a system-wide average rate increase of approximately 2.8% over three years; affecting Residential, Small Commercial, Lighting, Large Power and Industrial rate classes. The effective percent increase will differ depending on each consumer's kilowatt hour (Kwh) usage. The average usage for Residential consumers per month is 1,248 kilowatt hours. For Residential members using above average kwhs a month, the increase may appear slightly lower; and for those using less than average kwhs a month, the increase may appear slightly higher.

SEC's Residential members will notice only a moderate adjustment to the kilowatt hour billing rate. The most noticeable increase is that of the Customer Charge (currently \$20.00), moving up a \$1.50. This new increase will repeat each year until the 3rd year when it will be set at \$24.50.

Your Cooperative leaders made a thorough evaluation into all the financial and human factors involved before making their recommendation. SEC will continue to do everything possible to hold down costs while delivering you safe and reliable electric service.

A side by side comparison of the rate revision for each Rate Class is listed on "page 2" of this OFFICIAL NOTICE. If you have any questions concerning the rate revision, please contact us at (580) 745-9463 or e-mail our office at [jcoleman@se-coop.com](mailto:jcoleman@se-coop.com).

## 2021 Cost of Service Study (COSS) – Rate Revision

Board of Trustees Approved August 24, 2021

Implementation Date: October Billing (September Usage)

### RESIDENTIAL RATE CLASS:

	2013	2021		
	<u>Existing Rate</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
Monthly Customer Charge -	\$20.00	\$21.50	\$23.00	\$24.50
Energy Charge Summer -	\$0.093596	\$0.091768	\$0.091768	\$0.091768
Winter -	\$0.087569	\$0.091768	\$0.091768	\$0.091768
Power Cost Adjustment -	*-/+	*As applicable	*As applicable	*As applicable
Average Member Usage -	1,248 kwhs	+ 1.4%	+ 1.1%	+1.1%

\*Customer Charge increases \$1.50 each year for the first 3 years only.

### SMALL COMMERCIAL RATE CLASS:

	2013	2021
	<u>Existing Rate</u>	<u>New Rate</u>
Monthly Customer Charge -	\$30.00	\$34.00
Energy Charge -	\$0.08866	\$0.097173
Power Cost Adjustment -	*-/+	*As applicable
Average Member Usage -	1,244 kwhs	+9.5%

### LARGE POWER RATE CLASS:

	2013	2021
	<u>Existing Rate</u>	<u>New Rate</u>
Monthly Customer Charge -	\$60.00	\$75.00
Monthly Demand Charge(kW) -	\$7.43	\$7.68
Energy Charge -	\$0.067875	\$0.072076
Power Cost Adjustment -	*-/+	*As applicable
Average Member Usage -	8,057 kwhs	+5.5%

### LARGE POWER IRRIGATION RATE CLASS:

	2013	2021
	<u>Existing Rate</u>	<u>New Rate</u>
Monthly Customer Charge -	\$90.00	\$90.00
Monthly Demand Charge(kW) -	\$8.00	\$8.00
Energy Charge -	\$0.076287	\$0.076968
Power Cost Adjustment -	*-/+	*As applicable
Average Member Increase -		+0.9%

### SECURITY LIGHTING RATE CLASS:

	2013	2021
	<u>Existing Rate</u>	<u>New Rate</u>
Monthly Customer Charge -	\$10.63	\$11.67
Power Cost Adjustment -	*-/+	*As applicable
Average Member Usage -	40 kwhs	+9.78%

### DISTRIBUTIVE GENERATION RATE RIDER: (Solar & Wind)

	2005 & 2018	2021
	<u>Existing Rate</u>	<u>New Rate</u>
Monthly Customer Charge -	\$7.25	\$8.50