



Rate adjustment effective for May 2017 billing

THE HOLMES-WAYNE ELECTRIC Board of Trustees approved a rate adjustment that will take effect with the May 2017 member billings. This was approved during the Nov. 22, 2016, board meeting. **The adjustment will impact the average residence by 21 cents a day.**

The approved rate adjustment includes changes to the retail kWh rates, outdoor lighting rates, and monthly consumer charge, which is the monthly service fee that generates revenue needed to provide electric service to each meter in our 2,200-mile distribution system.

One of the primary responsibilities of the board of trustees is to ensure that the cooperative remains fiscally strong and is able to meet the loan covenants required by the USDA and other financing organizations, as well as meet the cooperative's capital needs. To assist with the analysis of financial position, the board contracted GDS & Associates, Inc., a rate-consulting firm headquartered in Marietta, Georgia. They provided a study of our cost of service, projected revenues, and power costs for 2017. Based on the firm's recommendation and advice from senior management, the board voted to implement the rate adjustment detailed on page 20.

Electric generation, transmission, and environmental regulatory costs are major factors that have contributed to the need for an adjustment in rates. Over the last several years, the Power Cost Adjustment (PCA) has been a component of your bill. The PCA covers the increase in power generation and transmission we were experiencing when current rates were not covering the total generation and transmission cost.

Based on feedback from the membership, we continue to improve reliability for members through maintaining and improving our distribution infrastructure (electric poles, wires, etc.). With construction and replacement of our infrastructure, we have experienced increases in the cost of the materials and equipment.

Additionally, as with most industries, we have realized increases in general operating expenses. However, Holmes-Wayne Electric has not

adjusted rates for the past five years, which is a testament to our culture of innovativeness, efficiency, and technological advancement.

HWEC continues to be committed as sound stewards of your investment in your electric cooperative. As a not-for-profit, member-owned cooperative, any revenue collected in excess of operating expenses is returned to you — our members — in the form of capital credits.

As board chairman and as the President/CEO of HWEC, we understand our responsibility to set equitable rates for our members, while maintaining the financial stability of the cooperative. We feel that we are accomplishing that delicate balance.

As always, we are here to serve you. Through this publication, our Facebook page, billing notes, and our website, we provide energy efficiency tips to reduce your electric consumption. Our on-staff energy advisor is available for questions or will come to your home and provide a thorough energy audit. Please take note of the energy efficiency calendar we've provided for your entire family on page 21. Small changes throughout the year can add up to big savings, and it takes everyone's help.

If at any time you have questions regarding this rate adjustment, feel free to contact the cooperative. We will continue our commitment to providing the information and tools necessary to manage your energy consumption and electric bill. ☺



Glenn W. Miller
President/CEO



Randy Sprang
Board Chairman

Board of Trustees

Randy Sprang, Chairman Dave Mann, Vice Chairman Barry Jolliff, Secretary/Treasurer
Jonathan Berger Kenneth Conrad Bill Grassbaugh Jackie McKee Ronnie Schlegel David Tegtmeier



6060 St. Rt. 83; P.O. Box 112
Millersburg, OH 44654-0112

Business hours 7:30 a.m.–4 p.m.

www.hwecoop.com

866-674-1055 (toll-free)

You can call 24 hours a day to report outages, submit meter readings, and make payments.

A Touchstone Energy® Cooperative 
The power of human connections®

Holmes-Wayne Electric Cooperative, Inc., adjusted rates and charges

As of the **May 2017 billing**, the following rate schedule will take effect. **Below are examples based on average consumption of each rate class.**

Rate class: farm/residential:

Average Residential Usage	<u>Current monthly bill, including PCA*</u>	<u>New May 2017 monthly bill</u>
1,100 kWh of usage	\$138.87	\$145.17
	<u>Current power rate</u>	<u>New power rate</u>
First 2,000 kWh	10.362 cents	11.493 cents
Next 13,000 kWh	10.316 cents	11.447 cents
Over 15,000 kWh	10.260 cents	11.391 cents
Consumer charge**	\$17.30	\$18.75

If a transformer of more than 15 kVA must be installed, the monthly minimum bill will be \$18.75 plus \$1.00 additional for each additional kVA over 15 kVA.

Rate class: general service without demand:

Average Usage	<u>Current monthly bill including PCA*</u>	<u>New May 2017 monthly bill</u>
600 kWh of usage	\$92.74	\$96.91
	<u>Current power rate</u>	<u>New power rate</u>
First 2,000 kWh	11.266 cents	12.410 cents
Next 13,000 kWh	11.220 cents	12.364 cents
Over 15,000 kWh	11.164 cents	12.308 cents
Consumer charge**	\$21.00	\$22.45

The monthly minimum for general service without demand accounts will be the greater of:

- A. \$22.45; or
- B. \$1.30 per kVA of required transformer capacity; or
- C. A contracted monthly minimum.

* PCA (Power Cost Adjustment) is the additional charge as a result of the actual power (generation and transmission) cost being more than the power cost that is currently built into our rates.

** The consumer charge is a monthly minimum cost incurred for each meter and not based on kWh consumption. This charge is each member/owner's proportionate share (per meter) of infrastructure investment in substations and distribution equipment.

Outdoor area lighting:

	<u>Current rate</u>	<u>New rate</u>
Light on existing pole or member's pole	\$7.50	\$8.50

Any member who wishes to view the complete rate schedule may do so by contacting the Holmes-Wayne Electric Cooperative office toll-free at 866-674-1055. Members can also visit our website at www.hwecoop.com.



Energy Explorers

2017 Energy Efficiency Calendar

Start the new year off by being more energy efficient!

Each month, try changing your energy use habits by using the tips below. Keep this calendar on your refrigerator to remind family members to be energy efficient throughout the year.

	<p>JANUARY</p> <p>Turn off lights when you leave a room.</p>	<p>FEBRUARY</p> <p>Remind family members to use cold water when washing clothes.</p>	<p>MARCH</p> <p>Turn off water while brushing your teeth.</p>
<p>APRIL</p> <p>Ask an adult to help you plant a tree to help shade your home in the summer.</p>	<p>MAY</p> <p>Clean or replace your air filter. You may need to ask an adult to help.</p>	<p>JUNE</p> <p>Keep the thermostat at 78 degrees Fahrenheit during summer months.</p>	
	<p>JULY</p> <p>Close curtains and blinds during the day to block the sun.</p>	<p>AUGUST</p> <p>Keep all doors and windows closed while the AC is running.</p>	<p>SEPTEMBER</p> <p>Dry clothes outdoors on a clothesline instead of using the dryer.</p>
<p>OCTOBER</p> <p>Only open the refrigerator door for short amounts of time when necessary.</p>	<p>NOVEMBER</p> <p>Take short showers instead of a bath.</p>	<p>DECEMBER</p> <p>Decorate your home for the holidays with energy-saving LED bulbs.</p>	

2017 GRADS: ARE YOUR PARENTS HOLMES-WAYNE MEMBERS?

IF SO, YOU COULD WIN UP TO \$6,000 IN SCHOLARSHIPS!

- * Applicants must have a 3.6 GPA or higher.
- * 10 scholarships will be distributed by Holmes-Wayne totaling \$15,000.
- * HWEC winners in both the girls' and boys' division will receive a \$2,500 scholarship and compete for a \$3,500 statewide scholarship through Ohio's Electric Cooperatives.
- * Ohio's Electric Cooperatives will distribute a total of 18 scholarships.



TO OBTAIN RULES AND APPLICATIONS FOR THE CHILDREN OF MEMBERS SCHOLARSHIP:

- Visit www.hwecoop.com
- Call the co-op toll-free at 866-674-1055
- Stop by the Millersburg co-op office
- Pick one up from your guidance counselor
- Deadline to apply: Friday, Jan. 27, 2017

 Holmes-Wayne
Electric Cooperative, Inc.
A Touchstone Energy® Cooperative 