

Basic Charge

What is it and why do we have it?

As your not-for-profit cooperative, we essentially buy and deliver power to you at cost. Since your kilowatt-hour usage can fluctuate dramatically, it's essential to have a reliable source of revenue to cover your co-op's operating costs. That's where the basic charge is both important and necessary.

What is the basic charge?

The basic charge is a fixed amount on your monthly statement. Other utilities like gas, phone and water all have basic charges on their monthly statements.

Why is there a basic charge?

Your cooperative has fixed costs necessary to maintain and operate the system. These costs include buildings, trucks, equipment, labor, taxes, insurance ... everything necessary to make sure your lights come on when you flip the switch.

How much is it?

The basic charge is going to \$20 per month, effective with your October statement. In 2001, it was \$15 per month, and has increased \$5 in the last 14 years.

How does our basic charge compare to other co-ops in the state?

The average is \$22, with a high of \$39.

Does everyone pay the same?

Yes. All residential member/consumers will pay the same \$20 per month.

Why should I have to pay if I don't use any electricity?

Because there are costs associated with maintaining a system that is there when you need it. Given the uncertain amount of kilowatt hours members use, we can't rely solely on that to cover the cooperative's fixed costs.

Is my kilowatt-hour rate going up?

Yes. Because of an increase in wholesale power costs from the Bonneville Power Administration, it will go from 8.25¢ to 8.30¢/kWh. (or 5/100ths of a cent).

How are these rates determined?

A cost-of-service study is done periodically to determine the amount of the basic charge. BPA wholesale power costs dictate the kWh rate. These are both taken into consideration when your board of directors determines the rates.

What can I do about it?

Our rates are still among the lowest in the country, but constant efforts to conserve will help make sure that you don't pay any more than you have to.