



WREA Rate Restructure

FREQUENTLY ASKED QUESTIONS

WREA Restructured Rates went into effect January 1, 2018. Members will receive their January bills this week, which will reflect these changes.

What Impact does the Rate Restructure Have on Residential Members?



The WREA rate restructure increased the monthly WREA Service Charge and decreased the kWh energy charge. This resulted in an approximate net \$5.00 per month increase for the average WREA Residential member (750 kWh per month). The WREA monthly service charge for Residential members increased from \$5 to \$15 per month. The kWh energy charge decreased from \$0.12015/kWh to \$0.113/kWh. WREA staff can help calculate the estimated impact for your specific service.

What Impact does the Rate Restructure Have on Small Commercial Rates?



WREA divided the Small Commercial rate class into Small Commercial Single-Phase and Small Commercial Three-Phase. Members were placed in the rate class that corresponds to the electric infrastructure that serves their particular meter. Small Commercial Single-Phase Service Charge increased from \$5 to \$15 per month and Small Commercial Three-Phase increased from \$10 to \$20 per month. The energy charge for Small Commercial classes decreased to \$0.113/kWh. WREA staff can help calculate the estimated impact for your specific service.

What Impact does the Rate Restructure Have on Irrigation Rates?



The Irrigation Rate has also been divided into two rate classes. The Irrigation Single-Phase Service Charge increased from \$10 to \$15 per month and the Irrigation Three-Phase Service Charge increased from \$10 to \$20 per month. The energy charge for both Irrigation classes decreased to \$0.113/kWh. WREA staff can help calculate the estimated impact for your specific service.

The LC (Large Commercial) Rate Class has been eliminated.



I had an existing meter in the LC Rate Class, what will my new rate class be?

The Large Commercial Rate class was eliminated and those meters were placed in the Small Commercial Three-Phase rate class.

What are WREA's new Connection Fees?



WREA has also changed its Connection Fees. Effective January 1, 2018, WREA's Service Connect and Reconnect fees increased from \$10 to \$25 for remote Connect/Reconnect and \$10 to \$30 for on-site Connect/Reconnect. In addition, if a service is disconnected and resumed within the same twelve months, Members are now required to pay the monthly Service Charge for the disconnected months.

Why did WREA Restructure its Rates?



The electric industry has changed a lot over the years. It was time for WREA to reassess its rate structure to ensure that it continues to equitably recoup its costs. This assessment resulted in an increase in the WREA Service Charge and a decrease in the per kWh energy charge. The complexities of rate analysis can be simplified into two basic categories; fixed and variable costs. The WREA Service Charge is the fixed cost paid every month per meter which includes infrastructure, service and operations. WREA's fixed costs exist regardless of a member's actual electric use. The energy charge is the Variable Charge which fluctuates depending on how much electricity is used.

How do WREA Residential rates compare with other Colorado electric cooperatives?



The average Residential Service Charge for Colorado electric cooperatives is \$25.00. The average Residential energy rate for Colorado electric cooperatives is \$0.114/kWh.

When did the rate restructure go into effect?



WREA's new rate structure went into effect January 1, 2018. Members will see the new rates on their January 2018 electric bill which will arrive in the mail the first week of February.

*Please do not hesitate to call WREA at 970-878-5041
with additional questions.*