

# CO-MOCONNECT FAST FACTS Understanding Your Bill in 2024

## 2024 Rate Increase

Starting Jan. 1, 2024, Co-Mo Connect implemented a 12% rate increase. The average single-phase residential account will see between a \$15 - \$20 per month increase.

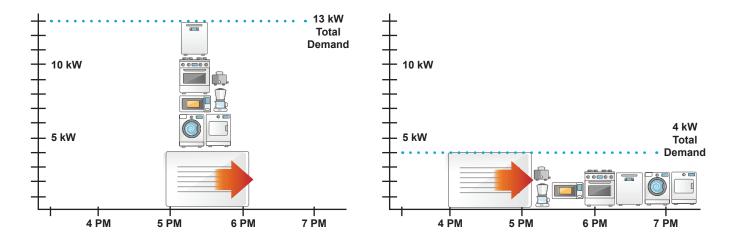
This rate increase is a result of continued inflation that is affecting nearly every aspect of our daily lives and extends to the fuels used to power our nation and the materials we need to keep the power on in Co-Mo Country. As a direct result of those rising costs over the past few years, we had to increase the cost of electric services in an effort to maintain the level of service our members have come to expect from their cooperative.

## What is the demand charge on my bill?

Demand is the amount of power needed to supply every electrical device running in your home or business at a specific point in time. It is the maximum rate at which your household has consumed electricity, which can vary from the hour, day, week, month, or season.

A simple way to describe demand is to look at electric use as being similar to Internet service use. When one person streams a movie or television show on one device in your home, the stream works great. But as additional people in your house attempt to stream video simultaneously, more bandwidth is needed to ensure the stream works well. So, think of electric use in a similar manner. As more appliances in your home run simultaneously, such as your washing machine, stove, and dishwasher, your demand for power increases.

This infographic may help illustrate demand better and showcase how you can keep it level and not "tower your power."



## How is the kW determined for the demand charge?

Demand, measured in kilowatts (kW), is the rate at which power is consumed. Energy, on the other hand, is measured in kilowatt hours (kWh) and represents the total amount of electricity consumed over the billing period.

Think of it like this: In your car, you have an odometer that measures the miles you drive and a speedometer that measures your speed. In this case, your energy use is like your odometer, measuring the energy you use. Demand is like the speedometer, measuring the peaks in your energy use.

Demand charges are calculated using the single highest hour of power consumption over the billing cycle multiplied by the current per kW rate.

## How does the weather impact my bill?

During extremely cold weather, there is a surge in the demand for heating in homes. Many households rely on electric heating systems, and the increased usage leads to higher electricity consumption. When outside temperatures start reaching single digits or negative degrees, your heating systems were doing their best to maintain a temperature likely of nearly 70 degrees inside your home. That can be a 70-degree difference from outside!

As your heating system is doing its best to keep up, remember there are some things that can help it be more effective, and that is to ensure that your home is energy efficient! You can learn what steps you can take to increase your home's energy efficiency by conducting a "do-it-yourself" energy audit on our website at www.co-mo.coop.

In addition, when your heat or air conditioning is running nonstop to keep up with the desired temperature indoor versus the extreme conditions outside, that goes toward setting your demand for that period and is increasing the amount of kWh used during that period.

## Why bill on demand?

Breaking out demand from energy use helps Co-Mo bill our members in a way that is fair. Co-Mo's wholesale electric rates are based on total co-op demand, demand (the rate at which electricity is used by the member), and the total energy consumed. Some members create more demand by using more appliances simultaneously and, as a result, a higher demand for electricity.

In the past, it was easier to bill metered kWh usage. However, with affordable technology available today to capture demand, it makes sense to unbundle demand and make sure everyone pays their fair share.

## What is the availability charge?

The availability charge is a flat fee charged to all services to recover a portion of the costs required to make electricity available to you 24-hours a day. Examples of these costs include the poles, wires, transformers, equipment, etc. While you may not use much electricity, we must keep the system functional so that you have the ability to use electricity whenever you need it.



Have additional questions? Learn more about our rates on our website at www.co-mo.coop/our-rates or by scanning the QR code. You can also give us a call at 800-781-0157.

