



Your Touchstone Energy® Partner 

## Power Cost Adjustment Change January 2023

Inflation is on everyone's mind, and it is impacting your cooperative. While some prices, for example, gasoline, have recently declined from all-time highs, everything costs more today than last year. Since last year, CLP has seen price increases for materials in the range of 15 to 25% (and higher). In addition, the cost of market energy purchased by our power supplier, Great River Energy (GRE), has increased, so GRE's price to us in the form of a Power Cost Adjustment (PCA) has likewise increased. With these pressures, we've increased our PCA from 4 cents/kWh to 5 cents/kWh, effective with your January payments. We know inflation has impacted everyone, and we don't take this step lightly, but it is necessary for your cooperative to remain financially solvent.

### Frequently asked questions:

**Q. Why is there a PCA charge listed on my bill?**

A. The Power Cost Adjustment (PCA) charge is an adjustment on your bill each month that can fluctuate with the cost of providing power. The PCA is calculated by multiplying the PCA rate by your usage.

**Q. Am I charged the PCA on all of my meters?**

A. No. The PCA is only charged on your general service meter.

**Q. How much is the current power cost adjustment?**

A. Five cents per kWh.

**Q. Why am I seeing an increase in this month's bill?**

A. We held off for as long as we could, but unfortunately, the significant rise in the cost of power and inflation costs have forced us to make this increase. CLP must collect enough through rates to meet our obligations and continue as a viable not-for-profit entity.

**Q. Is there anything being done to reduce the PCA?**

A. CLP is planning to reduce discretionary expenses wherever possible and put off some investments with the hope that costs will come down. Unfortunately, CLP is in the same position many of you are. We have minimal control over many of our costs. CLP is also working on having a Cost of Service Study (COSS) done. This study will help us determine when and where price adjustments should be made in our rates.

- Q. What can I do to help manage my power bill besides conserving energy?**
- A. You can take advantage of CLP's Off-Peak Programs and/or sign-up for CLP's Budget Billing Program.