**Frequently Asked Questions: LaGrange County REMC new rate design**

**Q: How will the change affect my bill?**

While the new rates will result in a 1% reduction in overall revenue, the new design will affect each member class differently, whether it’s through a change in the service and capacity charges or kilowatt-hour cost. The effect should be minimal and is necessary to keep our system reliable and our rates equitable among all of our members.

**Q: When will this change go into effect?**

The new rates will be effective Oct. 6, 2019.

**Q: Why is this rate change necessary?**

The new design is necessary to keep our rates equitable among all of our members, as well as invest in the reliability of our system.

**Q: What is the service charge?**

The service charge is the fixed amount collected each billing period to cover costs the co-op incurs regardless of a member’s energy use. This includes service equipment, maintenance and repair, as well as administrative costs.

**Q: Why is the service charge increasing for some members?**

Our rate study used metering and financial records to determine the actual cost of delivering power to our members’ meters and found that our service charge needs to be increased to cover our costs.

**Q: What does this mean in dollars?**

Residential members will see varied increases or decreases depending on the amount of energy used. An average member who uses about 1,000 kWh each month will see an increase of $2 on their bill. See the chart on our website, lagrangeremc.com, for an estimated bill comparison from the previous rate to the new design.

**Q: What can I do to keep my bill low?**

We recommend contacting our energy advisor, Jake Taylor, to learn how you can make your home more energy efficient or schedule a free energy audit of your home or business. By doing so, you may also be eligible for rebates and incentives through our Power Moves program. Our website, lagrangeremc.com, also provides information and videos on how to save energy and money under the “Together We Save” tab.

**Q: When was the last rate change?**

The last base rate change for our members took place in 2012, but the cost of power changes from month to month based on the most current price of the fuel used to generate your electricity, also known as the power cost adjustment. As coal, natural gas and other prices fluctuate, so does the power cost adjustment.

**Q: What is LaGrange County REMC doing to keep costs down?**

Our investment in advanced metering infrastructure years ago is benefiting us today with our ability to better control our load management. By using less electricity during peak usage times, we can reduce costs to you, our members. LaGrange County REMC is also among the most labor efficient in the nation. Twenty-two employees serve about 6,200 members, meaning our labor ratio is approximately 1 employee per 280 members. Our ability to provide reliable electricity to our members with a smaller, skilled workforce means additional savings for you.