



November 2022

Rate Changes Coming January 1



South Central Electric Association (SCEA) is dedicated to bringing safe, reliable and cost conscience electricity to its members. Over the past few years, the changes and challenges in the electric industry have come at a rapid pace. The rising costs of fuel and other materials increase the costs to bring you reliable and safe electricity. Aging infrastructure needs to be updated so our members can receive the electric service they need to meet their growing demands. These are the challenges that rural electric cooperatives across Minnesota are facing. Over the past couple of years electric rates have been rising across the state. To meet the challenges of today and the future, South Central Electric recently completed a rate study. The evidence was clear, SCEA needed to adjust rates. SCEA cannot operate in an environment of rising costs without

passing those costs on to members. Rate changes need to be made to insure SCEA remains financially stable.

For the first time since 2011, our legacy members will see an increase in their monthly cost of service and delivery energy charge. The cost of power will continue to adjust monthly reflective of the actual cost of power for the billing period. For our former Alliant members, there will be an increase in the monthly cost of service charge. The energy power cost adjustment (PCA) will be adjusted monthly to reflect the actual cost of power for the billing period. The new charges are based on our cost of service study. They reflect the costs and revenues associated with each rate class.

Cost of Common Materials

Product	2011	2022	11 Year Increase
Anchor	\$40.00	\$89.00	122%
1/0 URD/100ft	\$204.00	\$342.00	67%
4/0 URD/100ft	\$225.00	\$380.00	69%
37.5 kva Transformer	\$1,671.00	\$2,178.00	31%
Ground Rod	\$12.00	\$16.00	33%
Pole 35-5	\$335.00	\$540.00	61%

Prices on many materials remained steady over the past 7 to 8 years. The last two years have seen the greatest percentage of increase. Larger transformers have increased over \$10,000 per unit.

Legacy Member Rate Schedule Effective January 1, 2023

General Service – Single Phase

Current		New	
Cost of Providing Service	\$30.00/month	Cost of Providing Service	\$45.00/month
Delivery Energy Charge	\$0.047/kwh	SCEA delivery charge	\$0.0505/kwh
Wholesale energy charge	varies/kwh	Wholesale energy charge	varies/kwh

General Service - Multiphase

Current		New	
Cost of Providing Service	\$50.00/month	Cost of Providing Service	\$75.00/month
Delivery Energy Charge	\$0.051/kwh	SCEA delivery charge	\$0.056/kwh
Wholesale Energy Charge	varies/kwh	Wholesale energy charge	varies/kwh

Large Power - Irrigation Service

Current		New	
Cost of Providing Service	\$90.00/month	Cost of Providing Service	\$100.00/month
Delivery Energy Charge	\$0.039/kwh	SCEA delivery charge	\$0.042/kwh
Delivery Demand Charge	\$3.00/kw	SCEA delivery demand	\$4.00/kw
Wholesale energy charge	varies/kwh	Wholesale energy charge	varies/kwh
Wholesale demand charge	varies/kw	Wholesale demand charge	varies/kw

Large Power - Single Phase

Current		New	
Cost of Providing Service	\$60.00/month	Cost of Providing Service	\$65.00/month
SCEA delivery charge	\$0.039/kwh	SCEA delivery charge	\$0.039/kwh
SCEA delivery demand	\$1.50/kw	SCEA delivery demand	\$1.50/kw
Wholesale energy charge	varies/kwh	Wholesale energy charge	varies/kwh
Wholesale demand charge	varies/kw	Wholesale demand charge	varies/kw

Large Power - Multiphase

Current		New	
Cost of Providing Service	\$80.00/month	Cost of Providing Service	\$90.00/month
SCEA delivery charge	\$0.039/kwh	SCEA delivery charge	\$0.039/kwh
SCEA delivery demand	\$1.50/kw	SCEA delivery demand	\$1.50/kw
Wholesale energy charge	varies/kwh	Wholesale energy charge	varies/kwh
Wholesale demand charge	varies/kw	Wholesale demand charge	varies/kw

Cost of Providing Service: A fixed charge which represents a portion of the cost to operate, even if no kwh's are sold.

SCEA Delivery Charge: A fixed amount charged on each kwh sold to cover the operation, maintenance and debt service.

SCEA Demand Charge: A fixed amount charged on each kw of demand to cover operation, maintenance and debt service for large commercial accounts.

Wholesale Energy Charge: The cost of energy purchased from the generation and transmission providers.

Wholesale Demand Charge: The cost per kw used during times of peak energy demand from the generation and transmission providers.

Former Alliant Member Rate Schedule Effective January 1, 2023

Residential Single Phase (S-160)

Current		New	
Cost of Providing Service	\$25.00/month	Cost of Providing Service	\$35.00/month
Energy Charge	\$0.1015/kwh	Energy Charge	\$0.1015/kwh
Power Cost Adjustment	varies/kwh	Power Cost Adjustment	varies/kwh

General and Farm Single Phase Service (S-260, S-410, S-380)

Current		New	
Cost of Providing Service	\$30.00/month	Cost of Providing Service	\$45.00/month
Energy Charge	\$0.1015/kwh	Energy Charge	\$0.1015/kwh
Power Cost Adjustment	varies/kwh	Power Cost Adjustment	varies/kwh

Three Phase Farm (S-420)

Current		New	
Cost of Providing Service	\$50.00/month	Cost of Providing Service	\$75.00/month
Energy Charge	\$0.07/kwh	Energy Charge	\$0.07/kwh
Demand Charge Winter	\$7.00/kw	Demand Charge Winter	\$7.00/kw
Demand Charge Summer	\$11.00/kw	Demand Charge Summer	\$11.00/kw
Power Cost Adjustment	varies/kwh	Power Cost Adjustment	varies/kwh

General Demand Metered (S-290, S-390)

Current		New	
Cost of Providing Service	\$50.00/month	Cost of Providing Service	\$75.00/month
Energy Charge	\$0.1015/kwh	Energy Charge	\$0.07/kwh
Demand Charge Winter	\$7.00/kw	Demand Charge Winter	\$7.00/kw
Demand Charge Summer	\$11.00/kw	Demand Charge Summer	\$11.00/kw
Power Cost Adjustment	varies/kwh	Power Cost Adjustment	varies/kwh

Large Power & Lighting (S-360)

Current		New	
Cost of Providing Service	\$250.00/month	Cost of Providing Service	\$250.00/month
Energy Charge	\$0.0485/kwh	Energy Charge	\$0.05/kwh
Demand Charge Winter	\$10.50/kw	Demand Charge Winter	\$11.00/kw
Demand Charge Summer	\$16.25/kw	Demand Charge Summer	\$17.00/kw
Power Cost Adjustment	varies/kwh	Power Cost Adjustment	varies/kwh

Cost of Providing Service: A fixed charge which represents a portion of the cost to operate, even if no kwh's are sold.

Energy Charge: The cost of energy purchased from the generation and transmission providers.

Demand Charge: The cost per kw used during times of peak energy demand from the generation and transmission providers.

Power Cost Adjustment: The cost of energy incurred by the co-op above the base kWh costs. The PCA is adjusted monthly based on the actual cost of power.

SCEA WATER HEATER PROGRAM

SCEA's peak shave water heater program provides members with a Marathon water heater at a discounted price for participating in the load management program.

The cost for water heaters is \$500. This is a great value for members. SCEA pays the cost of the electrician to wire the water heater and radio control. The member would pay any costs incurred by a plumber.



Protect your home and family with a Briggs & Stratton home standby generator

You can be confident that South Central Electric works hard every day to keep your lights on. For those times when mother nature strikes, we still have you covered with our generator program. You can purchase a whole home Briggs & Stratton Fortress generator from South Central Electric. If you lose power, the generator automatically takes over. When power is restored, it automatically shuts down. Power when you need it without the hassles of portable or PTO generators.

Call our office to learn more at
(507) 375-3164



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Official monthly newsletter

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The Board meets the fourth Tuesday of the month at South Central Electric's building at 71176 Tiell Dr., St. James, MN.

Please see our website for a summary of the board meetings.

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