



A Touchstone Energy® Cooperative 

P.O. Box 278, WaKeeney, KS 67672

800-456-6720

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WESTERN COOPERATIVE ELECTRIC

NEWS

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STRAIGHT TALK FROM THE TOP

Advancing Through the Rate Design Process



Nolan Numrich

As we discussed last month in our “Straight Talk from the Top” series, we’re guided by the core cooperative values of fairness, openness and transparency.

In our initial update, we outlined the five-phase approach to our rate evaluation process, starting with **PHASE ZERO, WHICH INCLUDES** our member-elected board diligently continually monitoring the financial health of the co-op, and **PHASE ONE**, where we brought in the experts at Power Systems Engineering (PSE) to conduct a comprehensive cost-of-service study (COSS). This independent analysis dug deep into our operations, from power supply costs and maintaining our 4,000 miles of lines to ensuring equitable cost allocation across all member groups, whether you’re a rural family, a small business owner, or an agricultural operator.

Building on that foundation, I’m here to provide the straight facts on the next steps. With the COSS report now in hand, we’ve moved forward thoughtfully, always with an eye toward sustaining reliable, affordable electricity.

Let’s continue our journey through the phases.



Following the expert insights from PSE in Phase One, our board of trustees carefully reviewed the COSS findings to shape a rate structure that’s rooted in fairness and financial stability. Just as we balance costs and revenues in Phase Zero to weather storms and inflation, this phase focuses on translating the study’s roadmap into actionable changes.

The analysis highlighted the need to align our rates more closely with our actual costs — like rising interest rates, infrastructure expenditures, purchasing wholesale power, and maintaining our extensive grid.

After thorough deliberation, the board approved a new rate design that includes a revenue adjustment to bridge a projected shortfall in the next three years.

Initially projections indicated that an additional \$2.1 million would be needed to cover future costs. However, through internal efficiencies, extending our patronage capital retirement, and

Continued on page 12B ►

Advancing Through the Rate Design Process *Continued from page 12A ►*

adjusting financial targets, we've reduced this to an **INCREASE OF \$1.65 MILLION**. This equates to a total increase in revenue of **3.7%** over the next three years.

This multi-year rollout proposes updates to demand charges and energy rates, aiming for equality. Low-usage, high-demand residential members may see a slightly higher adjustment to reflect their costs, while consistently higher-usage commercial or industrial accounts could experience more moderate shifts.

These decisions reflect our commitment to minimizing cross-subsidization, ensuring no group unduly shoulders the financial burden. As fellow members paying the same rates, our board understands the realities of rural Kansas life — from rising costs and inflation to the need for resilient infrastructure. This phase keeps us on track for long-term investments in grid upgrades, technology integration, and storm readiness, all while upholding our not-for-profit principles.

03

Co-op opens
comment period
and holds public
meetings



Transparency doesn't stop at the doors of the cooperative — it's woven into every phase, and we're inviting your direct involvement in Phase Three.

Just as we value members' input in board elections and bylaw changes, this stage opens the floor for your feedback on the proposed rate design. We're planning meetings throughout Western's service territory for you to share your thoughts with our staff and board. If you are unable to attend a meeting in person, we will have a virtual option. Additionally, more information will be provided through our website or by contacting us via email, mail, or by calling our office. Whether you have questions about how changes might affect your farm's irrigation needs or your household budget, we want to hear them.

Our public meetings will feature presentations from me and cooperative staff. These sessions will break down the COSS details, explain the rate adjustments, and include ample time for questions. Your participation embodies our cooperative spirit of democratic member control, helping us refine the plan to better serve our communities.

As we progress through these phases, remember: this process is about securing a balanced, sustainable future for Western Cooperative Electric. We're not chasing profits — we're powering your daily lives with the reliability and service you expect.

Stay tuned for updates on the remaining phases, and if you have questions, email us at rates@westerncoop.com or visit www.westerncoop.com.

Together, we're keeping the lights on and the conversation open.

**HERE TO SERVE,
NOLAN NUMRICH
CEO/GENERAL MANAGER**



RATE STUDY & DESIGN

Powered By Transparency

00

Board Monitors
the Financial
Health of the
co-op



01

Board engages
rate
consultant to
prepare a rate
study



02

Board approves
a new rate
design



03

Co-op opens
comment period
and holds public
meetings



04

Board discusses
and votes on
changing rates
in an open
meeting



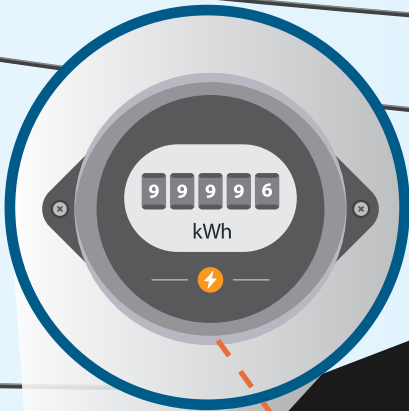
05

Rates are
implemented



www.westerncoop.com/rate-study-design

BREAKDOWN OF RISING ELECTRIC CO-OP COSTS FROM 2020 TO TODAY



102%↑

A residential meter — just one meter — has increased in price **FROM \$181.92 TO \$367.63.**

66%↑

A 4/0 ACSR conductor (that thick wire running along poles) used to cost around \$0.44 per foot in 2020. **TODAY? \$0.73 PER FOOT.**

83%↑

A 5 kVA pole-mount transformer, which keeps your lights and appliances running, previously cost about \$782. **NOW IT'S \$1,431 — ALMOST DOUBLE!**

76%↑

A 35-foot wood pole once was a \$274.31 investment. **NOW IT'S OVER \$482.**

63%↑

And for big-ticket items? A digger truck, essential for installing and repairing infrastructure used to cost around \$270,000. **TODAY, WE'RE LOOKING AT \$440,595 — AND THAT'S BEFORE FUEL, TIRES AND MAINTENANCE.**



Frequently Asked Questions

WHAT DOES REQUIRED REVENUE MEAN?

The first step in the cost-of-service study (COSS) is determining the total amount of revenue Western needs to operate.

To reach the amount of revenue needed to maintain service levels, Western may require a rate increase among different rate classes. However, depending on your specific rate classification and energy consumption, your bill could experience a higher or lower impact. The board takes its duty to carefully review and set rates fairly because, after all, they are Western members — they pay the same rates and face the same cost pressures as all of our members.

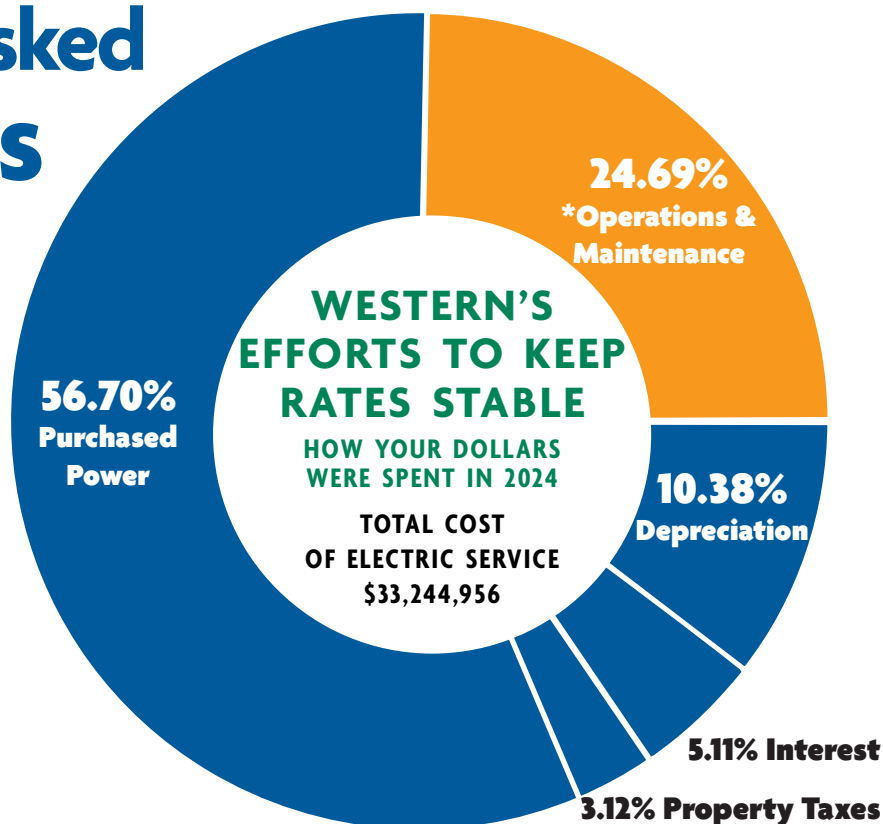
WHAT IS A COST-OF-SERVICE STUDY (COSS)?

While the required revenue study determines the total amount it costs to operate the cooperative, the COSS examines how and why costs are incurred. By analyzing the cost-of-service, we can fairly and appropriately assign costs to each rate class using proper rate-making principles.

Several factors drive cooperative expenses. For example, there are costs associated with power generation and usage. There are also costs incurred with the transmission of power from the power plants to our substations. Lastly, there are costs incurred in distributing the power to members. Operations and Maintenance costs comprise Western's expenses for poles, wires, transformers, trucks, facilities, substation maintenance, and line repairs. The COSS analyzes these costs and assigns them to the appropriate categories.

All of these costs are also analyzed by function. Each month, your energy bill is split between fixed charges (base charge and demand charges) and variable charges (energy charge/kilowatt-hour (kWh)).

The COSS revealed an imbalance between fixed and variable charges. The base and demand charges include the expenses related to the facilities directly connected to your property, such as wires, meters, transformers, accounting, transportation, and maintenance. As we go into



CONTROLLABLE EXPENSES

*THIS CATEGORY IS MONEY NEEDED TO MAINTAIN WESTERN'S SYSTEM WHILE THE COST OF MATERIALS AND NECESSITIES IS STILL INFLUENCED BY EXTERNAL FACTORS.

FIXED EXPENSES

THE PRICE OF THESE AREAS IS DICTATED BY EXTERNAL FACTORS.

the rate design phase, we know there will be an increase and realignment of charges to create a fairer balance for all ratepayers.

WHO IS CONDUCTING THE COSS AND RATE REDESIGN?

Power Systems Engineering (PSE), an independent rate consultant, recently completed Western Cooperative's cost-of-service study.

The rate study calculated the revenue required for successful operation and then identified the amount each rate class is responsible for to meet this requirement.

Finally, those amounts are compared to the revenues currently collected from each rate class to determine deficiencies.

This provides the information needed for the board of trustees to redesign the rates to ensure adequate and fair revenue collection.

WHEN WAS THE LAST RATE CHANGE?

In 2023, Western implemented a new rate design.

These rate adjustments focused on collecting the required revenue in the first year through increasing the base charge and additional minor adjustments. Years two and three (2024 and 2025) were revenue-neutral adjustments to the energy and demand components of the rates. Although these adjustments may have affected members differently, they did not generate additional revenue for Western to support its operations and services. This new COSS will focus on generating additional revenue to offset inflation and the increased operating costs we have incurred over the past few years. Unfortunately, many of the cost increases we have experienced do not appear to be temporary and had to be analyzed to keep the cooperative financially strong without sacrificing the reliability of service to our members.

As a member of an electric cooperative, you have a voice. Western will hold several public meetings to discuss these proposed changes with our members and allow you to voice your comments and concerns.

The board of trustees will hold an open meeting to vote on the proposed rates. If passed, the new rates will go into effect on Jan. 1, 2026.

WHO DETERMINES WHEN A RATE INCREASE IS NECESSARY AND BY HOW MUCH?

Western's Board of Trustees and executive managers continuously monitor the cooperative's financial stability to determine if or when a rate increase is necessary. To establish the new rate structure, an independent, experienced rate consultant was hired to conduct a cost-of-service study and recommend changes to our rate structure.

HOW DO WESTERN'S RATES COMPARE TO OTHER KANSAS ELECTRIC UTILITIES?

Western remains competitive for some of the lowest electric rates in the state. In the 2020 residential rate survey conducted by Kansas Electric Cooperatives, Inc., Western ranked fifth lowest out of the 28 Kansas electric cooperatives. However, recent inflationary pressures have forced cooperatives and utilities to consider rate increases to try to keep pace and maintain financial stability. It is our goal at Western to keep rates as low as possible without sacrificing service levels.

WHY ARE RATE ADJUSTMENTS NECESSARY?

Currently, it costs more to serve our members than what Western collects in revenue. To compensate for that shortfall, Western must collect more revenue from our members to maintain service levels.

WHY DOES WESTERN NEED MORE REVENUE WHEN IT IS A NOT-FOR-PROFIT?

As a not-for-profit electric cooperative, every member served by Western has an ownership stake in the company. There are no incentives to raise rates for a group of shareholders who would profit from the increases. All excess margins are returned to our members (owners of the cooperative) through the capital credits retirement process. All rate changes are carefully considered and designed to collect enough money to maintain service levels and cover debt requirements from our lenders.

WHY AREN'T THE INCREASES THE SAME FOR ALL RATE CLASSES?

Western remains dedicated to treating all members as fairly and equally as possible. This

means reducing subsidization and staying true to our philosophy that cost-causers should be the cost-payers. It would be discriminatory for Western to unfairly burden one group of members to pay a large portion of the costs caused by another group of members.

HOW DO YOU DETERMINE RATES?

PSE, our independent rate consultant, performed a COSS to assign costs across all the rate classes (residential, general service, irrigation, etc.) fairly. This COSS identified the cost of providing service for each rate class based on load and service characteristics. The COSS ultimately provides a valuable guideline for assigning cost responsibility to each class fairly and equitably.

WHAT HAS WESTERN DONE TO KEEP RATES AS LOW AS POSSIBLE?

Although nearly 75 cents of every dollar Western collects goes directly to purchasing wholesale power and fixed expenses like taxes and depreciation, Western has taken many steps to keep "controllable expenses" and rates as low as possible over the years.

WESTERN'S EFFORTS TO KEEP RATES STABLE INCLUDE:

- ▶ Leveraging technology to gain staffing efficiency, resulting in the co-op reducing the total number of positions required from 59 to 52.
- ▶ Maximizing Federal Emergency Management Agency (FEMA) reimbursement by recovering more than \$29 million in FEMA claims since 2006.
- ▶ Extending patronage capital retirement rotation cycles to reduce the required revenue for operating the cooperative by more than \$500,000 annually.
- ▶ Reevaluating financial targets to lower the required revenue by \$500,000 annually while still maintaining financial strength.

WHEN WOULD THE PROPOSED RATES BECOME EFFECTIVE?

The Western Board of Trustees is reviewing a three-year plan to redesign the rate structure. If approved, new rates would be effective Jan. 1, 2026, with additional rate adjustments in 2027 and 2028. We hope smaller, more frequent rate adjustments will help decrease the impact on our membership.

If you have questions or concerns at any time — feel free to email us at rates@westerncoop.com.

OFFICIAL NOTICE OF RATE MEETINGS

The purpose of this notice is to inform you that the Western Cooperative Electric Board of Trustees will discuss and vote upon a rate change proposal at their upcoming board meeting. This meeting is open to the membership and will be held on Nov. 20, 2025, at 10 a.m. at the cooperative's headquarters at 635 S. 13th Street in WaKeeney, Kansas.

If you are unable to attend and have questions, you may call our office at 800-456-6720 or send written comments to P.O. Box 278, WaKeeney, KS 67672. Members have the right under K.S.A. 66-104d(g) to request Kansas Corporation Commission review any rate change.

Informational meetings will also be held on:

OCT. 21 AT 6 P.M.

WaKeeney Community Room

OCT. 28 AT 6 P.M.

Ellsworth Rec Building (Armory)

OCT. 29 AT NOON

Virtual meeting link provided at www.westerncoop.com and on Facebook.

NOV. 6 AT 6 P.M.

Plainville Senior Center

NOV. 10 AT 6 P.M.

Otis in the Tumbleweed Building

NOV. 20 AT 10 A.M.

Board meeting and vote in the WaKeeney Community Room

FOR MORE DETAILS REGARDING THE PROPOSED RATE CHANGES, VISIT WWW.WESTERNCOOP.COM/RATE-STUDY-DESIGN.

Understanding Proposed Rates & Your Monthly Bill

We're sharing Western's proposed rate schedules and what they mean for your monthly bill. The tables compare current and proposed rates, showing both the total bill and average monthly cost for each service class. You'll also see the percentage change, so you can easily understand how adjustments support reliable service and the cooperative's long-term sustainability. This transparent breakdown lets members see the proposed rates for all classes and understand the reasoning behind any changes.

2025	\$41,311,260 REVENUE AT PRESENT RATES
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2026	1.9% CHANGE ADDITIONAL REVENUE \$801,276
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2027	1.0% CHANGE ADDITIONAL REVENUE \$421,535
------	--

2028	0.9% CHANGE ADDITIONAL REVENUE \$421,535
------	--

CUMULATIVE	3.7% CHANGE ADDITIONAL REVENUE \$1,644,346
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PROPOSED RATE SCHEDULES						
		PRESENT RATES	PROPOSED RATES			
		2025	2026	2027	2028	
RESIDENTIAL SERVICE	Customer Charge	\$45	\$45	\$45	\$45	Per Mo.
	Energy Charge					
	Summer (June-Sept.)	\$0.09745	\$0.09670	\$0.09570	\$0.09470	Per kWh
	Other	\$0.08945	\$0.08870	\$0.08770	\$0.08670	Per kWh
RESIDENTIAL SERVICE EH	Demand Charge	\$0	\$1	\$2	\$3	Per kW
	Customer Charge	\$45	\$45	\$45	\$45	Per Mo.
	Energy Charge					
	Summer (June-Sept.)	\$0.09745	\$0.09670	\$0.09570	\$0.09470	Per kWh
	Other					
	0-800 kWh	\$0.08945	\$0.08870	\$0.08770	\$0.08670	Per kW
	801-5,800 kWh	\$0.07945	\$0.07870	\$0.07770	\$0.07670	Per kWh
	5,801 kWh and up	\$0.08945	\$0.08870	\$0.08770	\$0.08670	Per kWh
GENERAL SERVICE SMALL	Demand Charge	\$0	\$1	\$2	\$3	Per kW
	Customer Charge					
	Single Phase	\$45	\$45	\$45	\$45	Per Mo.
	Multi Phase	\$65	\$65	\$65	\$65	Per Mo.
	Energy Charge	\$0.09047	\$0.08840	\$0.08630	\$0.08420	Per kWh
	Summer (June-Sept.)	\$0.08247	\$0.08040	\$0.07830	\$0.07620	Per kWh
	Other					
	Demand Charge					
	Summer (June-Sept.)	\$0	\$4	\$6	\$8	Per kW
	Other	\$0	\$2	\$3	\$4	Per kW
GENERAL SERVICE MEDIUM	Customer Charge	\$65	\$65	\$65	\$65	Per Mo.
	Demand Charge					
	Summer (June-Sept.)	\$20.25	\$20.25	\$20.25	\$20.25	Per kW
	Other	\$18.25	\$18.25	\$18.25	\$18.25	Per kW
	Energy Charge					
	Summer (June-Sept.)	\$0.04871	\$0.04871	\$0.04871	\$0.04871	Per kWh
	Other	\$0.04871	\$0.04871	\$0.04871	\$0.04871	Per kWh
	Primary Service Discount (2%)	2%	2%	2%	2%	
GENERAL SERVICE LARGE	Customer Charge	\$100.62	\$100.62	\$100.62	\$100.62	Per Mo.
	Demand Charge					
	Summer (June-Sept.)	\$21.50	\$21.50	\$21.50	\$21.50	Per kW
	Other	\$19.50	\$19.50	\$19.50	\$19.50	Per kW
	Energy Charge	\$0.04133	\$0.04180	\$0.04225	\$0.04270	Per kWh
	Primary Service Discount (2%)	2%	2%	2%	2%	
WATER PUMPING SERVICE	Customer Charge	\$65	\$65	\$65	\$65	Per Mo.
	Energy Charge					
	Summer (June-Sept.)	\$0.10495	\$0.10295	\$0.10095	\$0.09895	Per kWh
	Other	\$0.09695	\$0.09495	\$0.09295	\$0.09095	Per kWh
	Demand Charge					
	Summer (June-Sept.)	\$0	\$4	\$6	\$8	Per kW
IRRIGATION SERVICE	Other	\$0	\$2	\$3	\$4	Per kW
	Customer Charge	\$65	\$65	\$65	\$65	Per Mo.
	Energy Charge					
	Summer (June-Sept.)	\$0.10482	\$0.09840	\$0.09465	\$0.09090	Per kWh
	Other	\$0.09682	\$0.09040	\$0.08665	\$0.08290	Per kWh
	Demand Charge					
TEMPORARY SERVICE	Summer (June-Sept.)	\$0	\$4	\$6	\$8	Per kW
	Other	\$0	\$2	\$3	\$4	Per kW
	Energy Charge	\$0.23195	\$0.23945	\$0.24695	\$0.25445	Per kWh
	Customer Charge					
	Single Phase	\$45	\$45	\$45	\$45	Per Mo.
	Multi Phase	\$65	\$65	\$65	\$65	Per Mo.
ATHLETIC & REC FIELD LIGHTING	Energy Charge	\$0.13352	\$0.14102	\$0.14852	\$0.15602	Per kWh
	Customer Charge	\$100	\$100	\$100	\$100	Per Mo.
	Facility Charge	\$21,717	\$21,717	\$21,717	\$21,717	Per Mo.
	Demand Charge	\$2.94	\$2.94	\$2.94	\$2.94	Per kW
	Energy Charge	\$0.00750	\$0.00750	\$0.00750	\$0.00750	Per kWh
	Wholesale Energy	\$0.06204	\$0.06204	\$0.06204	\$0.06204	Per kWh
LARGE INDUSTRIAL	Customer Charge					
	Single Phase	\$45	\$45	\$45	\$45	Per Mo.
	Multi Phase	\$65	\$65	\$65	\$65	Per Mo.
	Energy Charge	\$0.13352	\$0.14102	\$0.14852	\$0.15602	Per kWh
	Customer Charge	\$100	\$100	\$100	\$100	Per Mo.
	Facility Charge	\$21,717	\$21,717	\$21,717	\$21,717	Per Mo.
LARGE INDUSTRIAL	Demand Charge	\$2.94	\$2.94	\$2.94	\$2.94	Per kW
	Energy Charge	\$0.00750	\$0.00750	\$0.00750	\$0.00750	Per kWh
	Wholesale Energy	\$0.06204	\$0.06204	\$0.06204	\$0.06204	Per kWh
	Customer Charge					
	Single Phase	\$45	\$45	\$45	\$45	Per Mo.
	Multi Phase	\$65	\$65	\$65	\$65	Per Mo.

COMPARISON OF MONTHLY BILL					COMPARISON OF MONTHLY BILL									
RATE CLASS	AVERAGE MONTHLY BILL				PRESENT AND PROPOSED RATES									
	PRESENT	2026	2027	2028	RATE CLASS	REVENUE PRESENT RATES	2026		2027		2028		CUMULATIVE	
							CHANGE	PCT.	CHANGE	PCT.	CHANGE	PCT.	CHANGE	PCT.
Residential Service	\$122	\$128	\$133	\$139	Residential Service	\$8,102,114	\$273,084	3.3%	\$259,361	3.0%	\$259,361	2.9%	\$791,806	9.4%
Residential Service Electric Heat	\$134	\$141	\$147	\$153	Residential Service Electric Heat	\$410,799	\$14,846	3.6%	\$14,085	3.2%	\$14,085	3.1%	\$43,016	10.0%
General Service Small	\$162	\$171	\$174	\$178	General Service Small	\$10,300,381	\$373,087	3.6%	\$98,498	0.9%	\$98,498	0.9%	\$570,082	5.3%
General Service Medium	\$1,565	\$1,601	\$1,625	\$1,649	General Service Medium	\$9,538,543		0.0%		0.0%		0.0%		0.0%
General Service Large	\$34,480	\$35,440	\$36,104	\$36,785	General Service Large	\$5,378,943	\$25,784	0.5%	\$24,687	0.4%	\$24,687	0.4%	\$75,159	1.3%
Interruptible Industrial Service	\$14,926	\$19,424	\$19,669	\$19,981	Interruptible Industrial Service	\$179,117	\$50,028	24.8%	\$786	0.3%	\$786	0.3%	\$51,600	27.4%
Sub-Transmission Service	\$158,586	\$170,144	\$174,375	\$178,718	Sub-Transmission Service*	\$1,903,038		0.0%		0.0%		0.0%		0.0%
Water Pumping Service	\$298	\$326	\$338	\$350	Water Pumping Service	\$75,163	\$5,609	7.3%	\$2,215	2.7%	\$2,215	2.6%	\$10,039	12.8%
Irrigation Service	\$240	\$254	\$260	\$267	Irrigation Service	\$1,318,283	\$53,122	4.0%	\$21,537	1.5%	\$21,537	1.5%	\$96,196	7.0%
Temporary Service	\$54	\$56	\$58	\$61	Temporary Service	\$1,949	\$63	3.2%	\$63	3.1%	\$63	3.0%	\$189	9.5%
Athletic & Rec Field Lighting	\$75	\$77	\$79	\$81	Athletic & Rec Field Lighting	\$14,347	\$303	2.1%	\$303	2.0%	\$303	2.0%	\$909	6.2%
Large Industrial	\$155,057	\$198,563	\$208,398	\$218,352	Large Industrial*	\$3,721,380		0.0%		0.0%		0.0%		0.0%
Lighting	\$10	\$10	\$10	\$10	Lighting	\$367,203	\$5,349	1.5%		0.0%		0.0%	\$5,349	1.4%
					TOTAL	\$41,311,260	801,276	1.9%	\$421,535	1.0%	\$421,535	0.9%	\$1,644,346	3.7%

*Average bills based on predicted consumer usage

*Rates adjusted in 2025

FOR MORE DETAILS REGARDING THE PROPOSED RATE CHANGES, VISIT WWW.WESTERNCOOP.COM/RATE-STUDY-DESIGN.



WHAT IS SMARTHUB?

On the go and in control. Now you can manage your account like never before!

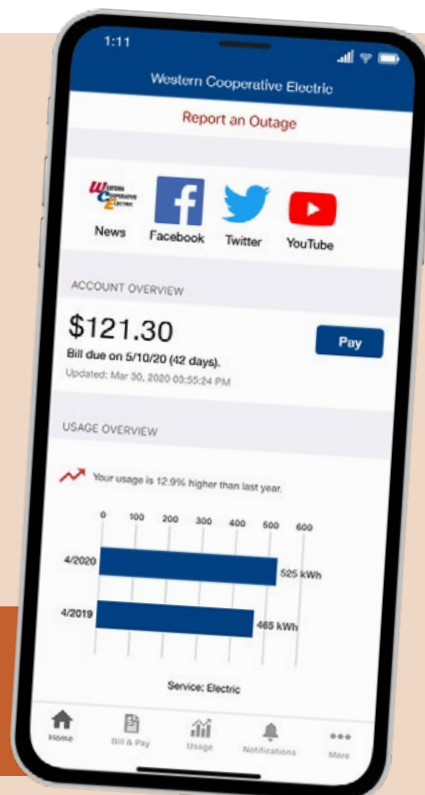
SmartHub has several features that make managing your account as easy as possible. Whether through the web, or your smartphone or tablet (Android or iOS), you'll be able to pay your bill, view your usage, and get the latest news.

As soon as you log in, you'll be able to view your billing history and make a payment with just a couple of clicks. You'll be able to see your current bill, along with bills from the previous month or even the previous seasons, if you want to compare costs. Not only will you see your billing history, but you'll be able to view your actual use. You can see how your usage is trending over time, which will allow you to take steps to lower your bill.

Making payments through SmartHub is fast and easy. The first time you make a payment either through the web or through your mobile device, you'll be able to securely store your payment information for future transactions. The next time you need to pay your bill, it will only take a couple of clicks.

You'll also be able to see important notices with SmartHub. You'll be able to select how you want to be notified about your bill, including email and text messaging. You'll even be able to set usage thresholds so that you'll know when you're using more than you'd like, which will help you keep your electricity bill as low as possible.

**SCAN THE CODE TO
DOWNLOAD THE
SMARTHUB APP**



UNDERSTANDING DEMAND CHARGES

For Western Cooperative members, electric demand is measured in kilowatts (kW). Demand represents the highest measured rate of using electricity for each billing period and the electrical capacity required to ensure energy is available when needed. The demand charge on a bill is a member's proportional share of capacity within their rate class.

WHAT IS DEMAND?

Simply put, energy (kWh) is the amount of power you consume, while demand (kW) measures how much power you need at a given time.

For Example: Think of your electric usage in terms of your automobile. Energy charges are recorded in the same way as your odometer, but instead of distance in miles, your meter measures how many kilowatt-hours (kWh) you use.

On the other hand, demand is measured by the "speed" you are using electricity similar to your speedometer. Demand is recorded by measuring the amount of electricity called on at a given time. Instead of miles-per-hour, demand is measured in kilowatts (kW).

A scooter and a racecar might travel the same distance (energy – kWh), but the speed at which they are traveling (demand – kW) requires a different motor, transmission and tires (substations, transformers, wires) to achieve those speeds.

WHY HAVE A DEMAND CHARGE?

If Western blended the demand charges into the energy charge, some members would pay more than they should, and some would not pay enough. With advanced metering infrastructure (AMI), Western accurately measures how much electricity each member uses and the "speed" they use that power.

We use the recorded information to bill members fairly based on the two largest drivers of electric consumption: your impact on the electric system (demand) and the amount of power you consume (kilowatt-hours).

Having separate charges allows us to adequately and fairly collect enough money through our rates to deliver power and maintain the needed capacity for our electric system.

HOW AM I BILLED FOR DEMAND?

The demand charge on your monthly bill represents the 15-minute interval with the highest energy consumption over that billing period – this amount is measured in kilowatts (kW). You are billed a per kW rate multiplied by the total kW of the highest interval. The amount billed for demand per kW depends on your rate class and the time of year (summer or winter). To view all Western tariffs, visit www.westerncoop.com.

UNDERSTANDING DEMAND

As more appliances in your home run at the same time, your demand for power increases. The members in the following example use the same amount of energy to run their appliances, but each member is putting a different demand on the electric grid.



Samantha cooks her food for one hour, then runs the dishwasher the next hour.



Dan runs the dishwasher during the same hour he cooks his food.

