

History of our Rates

In order to provide our members with information about the rate structure at HILCO Electric Cooperative, Inc., the chart below has been developed. The chart provides information about the rates for the various rate classes starting with what the rates were as of August 20, 1992. The rates remained unchanged for almost ten years when in May of 2002, they were increased. In 2006, the cooperative employed the services of an outside consultant who specializes in formulating rate structures for utility companies. Their recommendations appear in the column labeled "Proposed by Consultant" and although not adopted, were considered when the rates were changed in February of 2007. This year, with rising oil and gas prices, along with increased costs in general associated with wires, poles, and equipment, the HILCO Board of Directors determined the cooperative needed to adjust their rates to maintain the financial position of the cooperative. Today's rates appear in the column on the far right.

Although none of us like to see price increases, for the cooperative to remain financial sound in the wake of rising expenses, a rate increase was necessary. We have included the information compiled and presented by the consultant so that all of the members will have access to the information and suggested rates these professionals recommended. As always, we strive to remain competitively priced while ensuring reliability for all members.

HILCO Electric Cooperative, Inc. Summary of Rates

Portions Reprinted from the Cost of Service Study Completed by an Independent Consulting Firm
Based on Year Ending Data as of December 31, 2005

	Actual Rate as of 8/20/92	Actual Rate as of 5/1/02	Proposed by Consultant in 2006	Actual Rate as of 2/1/07	Actual Rate as of 3/1/08
Residential					
Customer Charge	\$6.00	\$10.50	\$15.00	\$14.50	\$15.50
Energy Charge, per kWh for over 800 kWh in months of Nov - April	\$0.069700 \$0.062690	\$0.069700	\$0.115198	\$0.069700	\$0.069700
Non-Residential					
Customer Charge	\$15.00	\$15.50	\$20.00	\$22.50	\$23.50
Energy Charge, per kWh	\$0.063750	\$0.063750	\$0.112441	\$0.063750	\$0.063750
Large Public Buildings Without Demand					
Customer Charge	N/A	\$55.00	\$100.00	\$62.00	\$67.00
Energy Charge, per kWh		\$0.070000	\$0.118504	\$0.070000	\$0.070000
General Service Small					
Customer Charge	\$50.00	\$55.00	\$75.00	\$62.00	\$67.00
Demand Charge, per kW	\$3.25	\$3.25	\$2.50	\$3.25	\$3.25
Energy Charge, per kWh First 200 kWh per billing kW per month Next 200 kWh per billing kW per month Over 400 kWh per billing kW per month	\$0.032430	\$0.032430	\$0.097576 \$0.080576 \$0.063076	\$0.032430	\$0.032430
General Service Large					
Customer Charge	\$50.00	\$55.00	\$75.00	\$62.00	\$67.00
Demand Charge, per kW	\$7.00	\$7.00	\$4.00	\$7.00	\$7.00
Energy Charge, per kWh First 200 kWh per billing kW per month Next 200 kWh per billing kW per month Over 400 kWh per billing kW per month	\$0.033070	\$0.033070	\$0.093545 \$0.081295 \$0.066046	\$0.033070	\$0.033070

NOTE: The Cost of Service Study revealed the cost for HILCO Electric Cooperative, Inc. to provide wires service (wires, poles, transformers, other equipment needed to bring service to a location) for a residential member averaged \$36.30 per consumer per month as of December 31, 2005. Non-residential cost \$36.87, large public buildings cost \$162.58, general service small cost \$113.79, and general service large cost \$119.21. Based on those calculations, the Consultant recommended the proposed rate schedule above for implementation in 2006.

THESE FIGURES DO NOT INCLUDE THE POWER COST RECOVERY FACTOR REFERRED TO AS PCRFB ON YOUR MONTHLY STATEMENT WHICH REPRESENT THE VARIABLE, PASS-THROUGH COST FROM OUR POWER PROVIDER INCURRED TO GENERATE ELECTRIC ENERGY BASED ON THE PRICE OF FUEL.