



Keeping electricity affordable



From the desk of
CEO & General Manager
Eddie Oldham

Even though I've worked in the energy industry for over 20 years, like most people, it is easy to flip the light switch or turn on the coffeemaker each morning without having a second thought about how the electricity made it to my home. Electricity, a necessity in our modern world, is very much ingrained in our daily lives. We often forget how much we depend on its reliability. We expect the lights to come on when we flip the switch, and we also expect our power to stay on during the best and worst conditions. At Central Electric, these are reasonable expectations we do not take lightly.

That's why we work hard to provide the most reliable service possible, restore it as quickly as possible if it goes out, and control the cost for our members. Given how electricity powers our modern lifestyle every day, it's also easy to forget how great of a value it is, especially when compared to other common services and expenses.

For comparison, consider that between 2014 and 2019 the average rent increase was nearly 4% annually according to the Bureau of Labor Statistics Consumer Price Index (CPI). The cost of medical care has increased 3% during this time, and education was not too far behind at 2.6%. So, where did electricity rank? The cost to our members has only risen on average 1% annually.

To put in perspective today's cost for electricity, did you know that for less than one dollar, 64 cents to be exact, you could watch television on a 40 in. LED television for 6 hours a day, every day, for a month? You can also power your home for several months at the same cost of an iPhone. Take a moment to let that sink in.

The main thing that I want to convey to you is that we have worked hard for many decades to keep your power costs as low as possible. While you may sometimes have sticker shock when your peak winter or summer bill arrives (depending on how much your heat and air runs and how hot or cold it has been), know that over the course of the entire year, and even during those peak times, the value you get from your electricity is unmatched when you compare it to the cost of other goods and what it provides to you and your family.

I say all of that to say this: in an ideal world, expenses would never go up, but the reality is that costs sometimes change, whether it is within our control or not. In the last year, we have experienced an increase in costs associated with maintenance related items of maintaining the electric system and the service lines that distribute electricity to our homes. Over time, due to general economic inflation, the cost of goods gradually rise, and likewise, the costs of maintaining the system also increase over time.

Beginning this month, you will start receiving information on a small adjustment to your basic facility charge. This is the fixed portion of the rates that serves to cover the maintenance related charges of maintaining the reliability of the system. Starting May 1, the basic facility charge for our residential members will change from \$27 to \$29, which comes out to a change of two dollars in your bill each month. As a not-for-profit utility, this adjustment will allow the co-op to continue covering the cost of maintaining the service to your home.

Despite small changes that are sometimes needed along the way, we are working hard to keep your electricity bill affordable so we can all continue to receive the value that we have come to expect.

Until next time,

