



White River Electric Association, Inc.

P. O. BOX 958
Meeker, Colorado 81641

December 1, 2022

RE: 2023 Rate Notice

Dear WREA Members,

Please accept this as notice of White River Electric Association, Inc.'s (WREA), 2023 Rate Schedule and rate increase. WREA's last rate increase went into effect January 1, 2018, which means the cost of electricity has remained the same for five years. During those same five years, WREA's revenues decreased over 25% due primarily to the decline in oil and natural gas production in Piceance Creek. WREA has offset the decline in revenue by not replacing all recent retirees, efficiencies in technology, the use of WREA's Rate Stabilization fund and simply doing more with less. In November, after a thorough financial and rate analysis, the WREA Board approved a 4% rate increase on all rate classes except for Yard Lights for 2023 along with a small monthly Service Charge increase for the R, SC1, SC3, I-I rate, and LP-1 rate classes. This rate increase will be used to assist with inflation and the general increase in the cost of doing business.

The average American home uses approximately 900 kwh/month in electricity. **Based upon an average home, the 2023 Rate increase will cost an additional \$6.50 a month.** A complete copy of the 2023 Rate Schedule is listed on the back of this letter. The monthly Residential energy charge will increase from \$0.113/kWh to \$0.11752/kWh and the Residential Service Charge will increase by \$2.50/month per meter. Many members are confused by the Service Charge. The monthly Service Charge reflects WREA's fixed facilities costs including electric lines, poles, and meters. The energy charge reflects your actual monthly electric usage.

As directed by the Board, we have worked hard the last five years to keep rates stable therefore avoiding passing along rising costs to our members. Unfortunately, 2022's estimated 8% inflation required the financially prudent decision to raise electric rates for 2023. The Board's directive remains clear which is to continue to do more with less, reduce costs where possible and maintain the highest level of safety, reliability, and customer service possible.

Please call WREA at 970-878-5041 if you have any questions about the rate increase or how it will impact your monthly bill. You may also access WREA's Smarthub at www.wrea.org to view your monthly usage and estimate your bill. This rate increase will go into effect January 1, 2023 and will be reflected on your January bill which you will receive around February 5th. Thank you in advance for your support, and please do not hesitate to reach out with questions. WREA wishes all its members a happy holiday season and a prosperous New Year.

Sincerely,



Alan J. Michalewicz
WREA General Manager/CEO