

UNDERSTANDING THE DEMAND RATE

Beginning in 2019, United Power began a phase-in implementation of a new rate structure. The new rate structure will break apart the costs for energy (kWh) and demand (kW).

WHAT IS DEMAND?

Simply put, energy is the amount of power you consume, while demand measures your impact on the grid to deliver that power.

The demand charge on your monthly bill represents the 15-minute interval with the highest energy consumption over that billing period, which is measured in kilowatts (kW).

The demand charge does not vary based on the time of day. Each member can hit their demand at a different time, and the charge on your bill is based on your single highest energy consumption interval for the month.

Understanding Demand

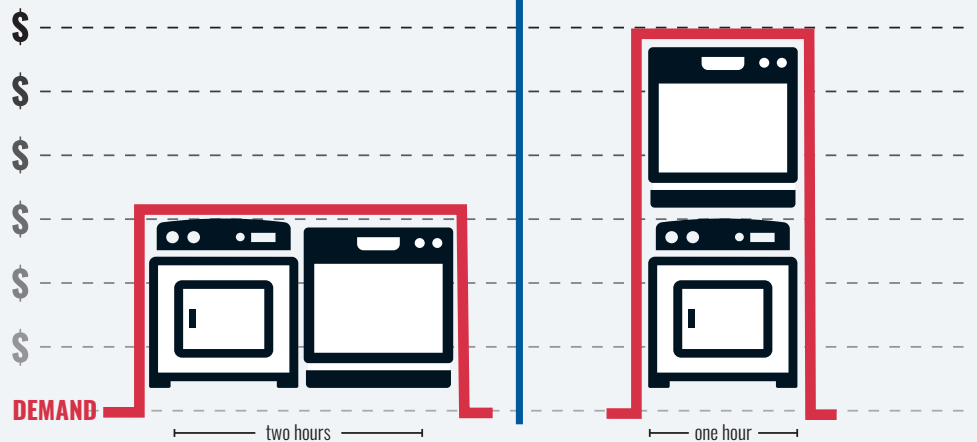
As more appliances in your home run simultaneously, your demand for power increases. The members in the following example use the same amount of energy (kWh) to run their appliances, but each member is putting a different demand (kW) on the electric grid.



Mary: Mary cooks her food for one hour. Then she runs the dishwasher the next hour.



Joe: Joe cooks his food and runs the dishwasher while he's cooking.



Average Appliance Use (60 min. runtime)
Range: 1500 Watts = 1.5 kWh / 1.5 kW
Dishwasher: 1800 Watts = 1.8 kWh / 1.8 kW

Mary
Energy: 3.3 kWh
Demand: 1.8 kW

Joe
Energy: 3.3 kWh
Demand: 3.30 kW

WHY SWITCH TO A DEMAND RATE?

With the traditional blended rate where the impact of your demand is rolled up into a charge based on the power you used, some members have been paying more than they should, while others aren't paying enough. United Power's advanced metering infrastructure allows us to have more accurate information about how you use power, and now we can use that information to bill you more fairly for both your energy consumption and your impact on the delivery grid.

HOW WILL THIS IMPACT ME?

Since the new rate begins to separate demand from energy, you'll see a \$1 per kW demand charge in 2019, and a reduction in the amount you pay for energy (kWh).

The example here shows the impact to the average United Power member, who uses 865 kWh per month in energy, and has a demand of 6.97 kW. Of course, some members may see a larger variation in their bill. Maybe their demand is very high, and their bill may be several dollars higher than under the old rate.

You've always been able to save money by turning off lights, or turning back the heat, but now you can also affect your bill by coordinating the number of appliances you operate at once.

OLD BILL (2018)

CURRENT BILLING DETAIL

Energy Charge	865 KWH @ 0.1076	93.07
Demand Charge	6.97 KW @ 0.00	0.00
Fixed Charge		19.00
TOTAL DUE		112.07

NEW BILL (2019)

CURRENT BILLING DETAIL

Energy Charge	865 KWH @ 0.1015	87.80
Demand Charge	6.97 KW @ 1.00	6.97
Fixed Charge		19.00
TOTAL DUE		113.77

2019 ELECTRIC RATES

Beginning in 2019, United Power began a phase-in implementation of a new rate structure. The new rate structure will break apart the costs for energy (kWh) and demand (kW). United Power's demand rate affects all existing Residential, Time of Use and Small Commercial Rate classes. The following rates are available for Residential, Time of Use and Small Commercial in 2019.

Residential Rate (R1)			
2018		2019	
Fixed Charge	\$19.00	Fixed Charge	\$19.00
Energy (per kWh)	\$0.1076	Energy (per kWh)	\$0.1015
Demand (per kW)	\$0.00	Demand (per kW)	\$1.00

Irrigation Rate (IRR2)			
2018		2019	
Fixed Charge	\$30.00	Fixed Charge	\$30.00
Energy (per kWh)	\$0.0928	Energy (per kWh)	\$0.0890
Demand (per kW)	\$0.00	Demand (per kW)	\$1.00

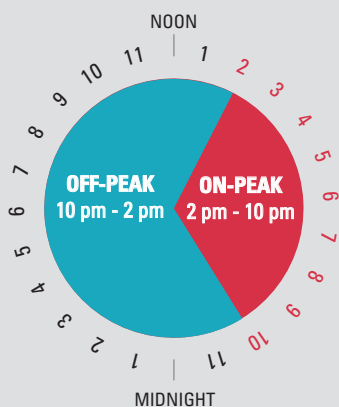
NEW Smart Choice Rate (RD1, RD2)		
2018	2019	
This rate was introduced as a limited pilot to a small group of members in 2018.	Fixed Charge	\$19.00
	Energy (per kWh)	\$0.0430
	Grid Access Demand (per kW) <i>Highest demand any time during billing period</i>	\$3.44
	Demand (per kW) <i>Highest demand during peak time (2 - 10 p.m.)</i>	\$6.81

Small Commercial (C1)			
2018		2019	
Fixed Charge	\$20.00	Fixed Charge	\$20.00
Energy (per kWh)	\$0.1122	Energy (per kWh)	\$0.1078
Demand (per kW)	\$0.00	Demand (per kW)	\$1.00

Small Industrial Primary (SIP1)			
2018		2019	
Fixed Charge	\$41.00	Fixed Charge	\$41.00
Energy (per kWh)	\$0.0882	Energy (per kWh)	\$0.0820
Demand (per kW)	\$0.00	Demand (per kW)	\$1.00

Residential Time of Use Rate (RTD1, RTD2)			
2018		2019	
Fixed Charge	\$19.00	Fixed Charge	\$19.00
On-Peak Energy (per kWh)	\$0.1540	On-Peak Energy (per kWh)	\$0.1540
Off-Peak Energy (per kWh)	\$0.0593	Off-Peak Energy (per kWh)	\$0.0539
Demand (per kW)	\$0.00	Demand (per kW)	\$1.00

Small Commercial Time of Use Rate (CTD1, CTD2)			
2018		2019	
Fixed Charge	\$24.00	Fixed Charge	\$24.00
On-Peak Energy (per kWh)	\$0.1594	On-Peak Energy (per kWh)	\$0.1594
Off-Peak Energy (per kWh)	\$0.0618	Off-Peak Energy (per kWh)	\$0.0554
Demand (per kW)	\$0.00	Demand (per kW)	\$1.00



Time of Use Hours

On-peak hours: 2 p.m. – 10 p.m., Monday through Saturday.

Off-peak hours: 10 p.m. – 2 p.m., Monday through Saturday, all day Sunday and the following holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day

Demand does NOT take a day off. Demand is billed using the highest 15-minute interval at ANY time throughout the billing period, which can occur during either your on-peak or off-peak periods any day of the week (including holidays).