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November 25, 2024

Re: Notice of Rate Adjustment

Dear Member:

As mentioned in my newsletter columns the past few months, Butler County REC recently had a cost-of-service study conducted. The cost-of-service study found that our rates, including the Facility Charge, required an adjustment to maintain the reliability and quality of the electric service we provide. This letter is provided to notify you of the rate adjustment, including for our members with electric heat and irrigators, which is anticipated to produce an overall increase in revenue for the cooperative of 6 percent. The adjustments will go into effect Jan. 1, 2025, and will be reflected in your February bill for January usage. Butler County REC's last general rate increase was effective Jan. 1, 2020.

The current adjustment is necessary to keep revenues on pace with increases in expenses during said time. We have been fortunate to experience load growth in our service area that has allowed us to keep rates stable for the past five years; but the recent cost-of-service study shows the need for the proposed increase to keep your cooperative in a good financial condition moving forward.

Included with this notice are charts showing the adjustment in rates for various rate classes and rate components. The adjustments will impact each member-consumer differently, depending on their usage. The independent cost-of-service study is used by the board of directors to ensure the rates are adjusted equitably, so each member-consumer is paying their proportionate share of the cost of service. As noted previously, the adjustments are anticipated to increase Butler REC's revenues by 6 percent; however, some member-consumers, depending on their consumption and rate class, may see an increase slightly more than that and others may see an increase of slightly less than that.

In addition to the base rates, Butler County REC uses an Energy Cost Adjustment (ECA) to pass-through adjustments in the power supply costs. The ECA will adjust to reflect increases or decreases in power supply costs from our power supplier, Corn Belt Power Cooperative.

Your board of directors is committed to keeping rates as low as possible while providing members with safe, reliable and environmentally responsible electric service. Your cooperative's board and employees continually seek solutions to mitigate rising costs, including reducing costs of daily operations by sharing resources with neighboring and other co-ops. We are very aware of the impact rate adjustments have on all members of the cooperative and therefore will continue to control expenses and increase operating efficiencies while maintaining a system that will provide you with the electricity you need, when you need it, now and into the future.

As always, feel free to contact the office for more information.

Sincerely,

Craig J. Codner, CEO
Butler County REC

Directors
Gary Poppe, President
Share Brandt, Vice President
Tim Schrage, Secretary
Troy Feldman, Treasurer
Allyn Harms, Asst. Sec-Treas.
Gerald Schmitt
Steve Boevers
Grant Greenzweig
Ken Kappmeyer

Craig J. Codner, CEO

2025 RATE ADJUSTMENT

FARM & RESIDENTIAL

USAGE	2024	2025	Change
Facility Charge	\$47.50	\$52.50	\$5.00
1 st 800 kWh	\$0.137900	\$0.145236	\$0.007336
Over 800 kWh	\$0.100000	\$0.107336	\$0.007336

GENERAL SERVICE, THREE-PHASE

USAGE	2024	2025	Change
Facility Charge	\$95.00	\$105.00	\$10.00
1 st 1200 kWh	\$0.142500	\$0.149974	\$0.007474
Over 1200 kWh	\$0.115000	\$0.122474	\$0.007474

ELECTRIC HEAT

	2024	2025	Change
EH May – Sept	\$0.100000	\$0.105613	\$0.005613
EH Oct – Apr	\$0.065300	\$0.070913	\$0.005613
Storage May – Sept	\$0.100000	\$0.105613	\$0.005613
Storage Oct – Apr	\$0.060300	\$0.065913	\$0.005613

IRRIGATION

	2024	2025	Change
Facility Charge	\$60.00	\$70.00	\$10.00
Energy Charge, Per kWh (Sept-May)	\$0.125000	\$0.125196	\$0.000196
Energy Charge, On-Peak per kWh (June-Aug)	\$0.250000	\$0.328196	\$0.078196
Energy Charge, Off-Peak per kWh (June-Aug)	\$0.100000	\$0.105196	\$0.005196

NON-METERED LIGHTING

	2024	2025	Change
Cost	\$12.00	\$13.10	\$1.10

IDLE SERVICE, SINGLE-PHASE

	2024	2025	Change
Facility Charge	\$35.62	\$39.38	\$3.76

IDLE SERVICE, THREE-PHASE

	2024	2025	Change
Facility Charge	\$71.25	\$78.75	\$7.50

This institution is an equal opportunity provider and employer.