



In recent years, Crow Wing Power experienced significant benefits from growth and adjustments in its power portfolio, allowing us to avoid any rate changes for the past five years.

However, the Board of Directors recognizes the current economic challenges and has concluded that certain adjustments to rates will be essential in 2024 and beyond. This decision is crucial to fulfill the Cooperative's needs, ensuring the sustained quality, reliability and safety of service we rely on.

As an at-cost electric service cooperative, our members collectively contribute as both owners and patrons, covering the expenses of the services provided. In turn, when we have good years with excess margins money is returned to members as was the case in 2020 and 2021 with bill credits. In times of inflationary cost increases, it becomes necessary for members to collectively contribute to meet these elevated costs.

RESIDENTIAL EXISTING AND NEW RATE COMPARISON

Residential Rate	Existing Rate	New Rate
Service Availability Charge/Base Charge	\$24.00	\$29.50
Energy (2,500) kWh	10.9¢ per kWh	11.45¢ per kWh
Additional Summer PCA (June, July, August)	2.0¢ per kWh	2.5¢ per kWh

Frequently Asked Questions

1. When will the rate change take effect?

Rate Adjustment will go into effect March 1, 2024. Members will see the adjustment on their April bill for March's electric use.

2. Who determines when a rate adjustment is necessary?

Crow Wing Power's Board of Directors has determined with today's economic challenges a rate adjustment is necessary to meet the needs of the Cooperative and to ensure the continued quality, safety, and reliability of service.

3. Why does the Cooperative need to adjust rates?

Crow Wing Power is feeling the effects of escalating costs in equipment, materials, and services, affecting our finances and operations. For instance, infrastructure material prices have surged by up to 90% in the last three years. To sustain the delivery of reliable electricity amidst these rising costs, adjustments to electric rates are necessary.

4. How will the new rates affect my monthly electric bill?

The chart to the left reflects the change in rates effective March 1, 2024, for our most common rate classes.



17330 State Hwy. 371N.
Brainerd, MN 56401



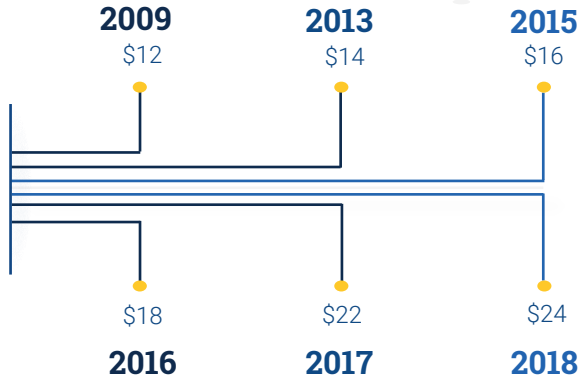
218-829-2827
1-800-648-9401



www.cwpower.com
info@cwpower.com

Frequently Asked Questions

Historical Rate Increase Timeline



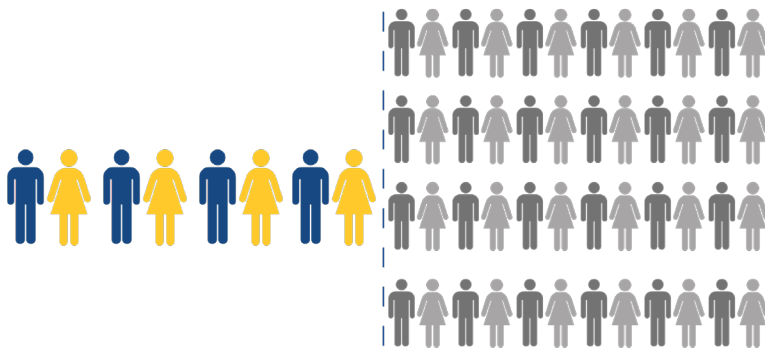
*This timeline reflects the adjustments made to basic monthly charge, and not wholesale and distribution rates that are subject to change due to fluctuating cost of power.

RESIDENTIAL ENERGY RATE COMPARISON

Residential Rate	Crow Wing Power	Electric Co-op A	Electric Co-op B	Electric Co-p C	Brainerd Public Utilities	MN Power
Base Charge	\$29.50	\$38.00	\$48.00	\$49.00	\$16.90	\$9.00
Energy (2500 kWh)	11.45¢	11.672¢	13.59¢	10.32¢	11.5¢	15.52¢
Total Average (860 kWh)	\$133.35	\$141.60	\$164.87	\$148.14	\$115.80	\$151.78
Total Average Summer (860 kWh)	\$149.47	\$151.28	\$182.07	\$167.07	-	-

*This table reflects Crow Wing Power's best interpretation of currently published rates and charges, including CIP, PCA, and interim rates. These rates are subject to change and do not include taxes.

MEMBERS PER MILE COMPARISON



Crow Wing Power 8 members per mile who share fixed costs.

Investor-owned and municipal utilities 38 to 48 members per mile who share fixed costs.

5. When was the last time Crow Wing Power did a rate adjustment?

Crow Wing Power last adjusted rates in 2018, when the monthly service availability charge increased \$2.00.
**historical rates timeline shows basic charge adjustments.*

6. How does Crow Wing Power compare to other Minnesota Cooperatives and Utilities?

Crow Wing Power rates are reasonable and in line with cooperatives across the State of Minnesota.

**See rate comparison chart*

7. Why is energy sometimes less expensive with investor and municipal utilities?

Electric cooperatives serve mainly rural areas that have only six to eight customers per mile unlike municipal and investor-owned utilities who have higher density populations of 34 to 48 or more consumers to share in the cost of infrastructure.

8. What is Wholesale Power Cost Adjustment (PCA)?

It is a per kilowatt-hour adjustment to your bill due to changing wholesale power costs from Crow Wing Power's wholesale power providers. Summer demand can cause higher PCA's.

9. What is Base Charge?

This charge, currently referred to as Service Availability Charge, represents Crow Wing Power's cost of delivering electricity and maintaining equipment, regardless of whether a member uses power. It accounts for our investment in poles, wires, transformers, and labor to provide members with electric service. It supports fleet, facility, and member service functions, such as outage response, line maintenance, and right-of-way clearing.



10. What if I am on budget billing, prepay or energy assistance?

- Nothing will affect the monthly process of how you pay your electric bill. If there are adjustments needed for budget billing, the Billing Department can help members with those adjustments.

11. I only utilize power seasonally— can I disconnect my power and reconnect when I return?

- Crow Wing Power, like other electric cooperatives and utility services, imposes a Service Availability Charge or Base Charge that reflects the member's share of fixed costs associated with materials and equipment installed and available for power. This ensures the continuous availability of essential services. If seasonally disconnected (for less than 12 months), a reconnect fee plus the missed monthly service availability charges would be billed before reconnecting. Members save money by staying connected and incurring the monthly basic charge.

12. What can I do to reduce my electric bill?

- Crow Wing Power offers a wide range of programs and technologies to help members manage electricity use and save money. Our Member Service Department can assist members and businesses with energy-saving programs and rebates. We encourage members to visit our Energy Savings blog at cwpower.com for easy energy-saving ideas.
- The Billing Department offers multiple ways to help manage your power bill, including automatic payment options and budget billing.

13. What is Crow Wing Power doing to control spending and decrease costs?

- Crow Wing Power, as a not-for-profit Cooperative, has consistently operated with slim profit margins. To help minimize budget constraints, we were able to prioritize work plans and postpone some projects. Staff and management have taken a hard look at processes and moved some previously contracted services in house where possible.

14. Will I see an increase in 2025 rates?

- The 2024 rate adjustment is geared toward preserving budget stability, safeguarding programs, and ensuring our members have the safe and reliable power we've come to expect. We've tried to anticipate what future years might look like in our planning, but analysis takes place annually.

15. Where can I find more information?

- Crow Wing Power's website is a great resource for everything energy. You can learn more about the rate adjustment at cwpower.com/rateadjustment_2024. If you have questions or wish to speak directly to a Cooperative representative, call our office during regular business hours at 800-648-9401.

