

February 29, 2024

Dear General Power Member:

I am writing to notify you of upcoming rate changes that will affect your monthly power bill from West Kentucky RECC. Our board of directors recently voted to increase the service availability (customer) charge paid by members in the General Power rate class two (GSA2) from \$65 to \$120 per month beginning with the April billing cycle. There will also be a new \$4/KW demand charge for the first 50KW. Historically, there have been no charges for the first 50KW of the 30-minute KW demand recorded by the meter. These increases will be nearly offset within the rate class by lowering the kilowatt hour (kWh) charge on the first 15,000kWh by \$.02156/kWh. The rates vary by season with June-September classified as the summer months, December – March classified as the winter months and April, May, October and November classified as the transition months. Monthly rates are posted on our website (wkrecc.com) under Pay My Bill/Energy Rates. The following chart shows the rate change for a transition month:

	Current April Rates	Rates Effective April 1, 2024
Service Availability (Customer) Charge	\$65	\$120
KW Demand (0-50KW)	\$0/KW	\$4/KW
kWh (0-15,000kWh)	\$.13498	\$.11342

Although some of you will pay more and some will pay less depending on how you use electricity, the rate changes are expected to generate nearly the same revenue for the Cooperative. If you would like to talk through how this change could impact you based on your historical usage, one of our employees will be glad to assist you and answer your questions.

The changes are needed so that our retail rates are better aligned with the wholesale rates that we pay TVA each month and to prepare for a transition to time-of-use rates in 2025 or 2026. TVA bills the cooperative KW demand charges based on our peak system KW demand and bills us different kWh charges depending on the time of day that we buy the kWhs. Time-of-use retail rates charged by the cooperative in the future will reflect these wholesale kWh price differences.

On behalf of the board and management of the Cooperative, I would like to thank you for your business. We look forward to continuing to provide you with safe, reliable and affordable electricity. Please feel free to contact me at any time if you have any questions.

Sincerely,

David E. Smart President & CEO West Kentucky RECC Email: dsmartpe@wkrecc.com