

## A Message About Your Electric Bill

With the January billing, all members will see a \$5.00 increase to the monthly service charge and a change in the bill format.

The service charge is a set fee designed to cover the fixed cost for the electric distribution system that serves the entire membership. Each member of the cooperative pays a set fee assigned across the rate classes to cover this cost. Tipmont's service charge is well under the actual costs associated with the expense of the distribution system and is currently near the lowest among Indiana's cooperatives. This increase will move the service charge closer to the actual cost and still leave Tipmont in the middle of the pack for service charges across Indiana cooperatives.

Members will also see an improvement in the bill format. Currently, all charges included in calculating a monthly bill are bundled together and shown as a lumped sum on the bill. Those charges will now be unbundled and each component of the bill will be listed separately. This change will allow you to view the various components of an electric bill and be able to see where you are incurring costs each month as it pertains to the type of service you have.

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### **Example: View of the current bill format for residential service and 1,000 kWhs.**

<u>Detail of Charges</u>	
KWH Charges	\$121.81
Indiana Sales Tax	<u>\$ 8.53</u>
Total This Service	\$130.34

### **Example: View of the NEW bill format for residential service and 1,000 kWhs.**

<u>Detail of Charges</u>	
KWH Charges	\$ 87.50
Power Cost Adjustment	\$ 14.31
Service Charge	\$ 20.00
Indiana Sales Tax	<u>\$ 8.53</u>
Total This Service	\$130.34

(For a more detailed explanation of service charge and the bill format change, please see the October, November, and December CEO Articles in your Electric Consumer or online at [www.tipmont.org](http://www.tipmont.org)).

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