



# An Energy Conversation

**Q. What's the fuel adjustment clause?**

**A.** It's the cost of coal and natural gas to run power plants, and purchased power.

**Q. Gas prices have dropped dramatically, but the fuel charge hasn't. Why?**

**A.** It has nothing to do with the cost of gasoline for our trucks. It's the cost of coal and natural gas, and power purchases.

**Q. Why does it go up and down so much?**

**A.** Costs for coal, natural gas and purchased power vary, along with weather. Changes in weather can dramatically change the fuel charge.

**Q. What is the environmental surcharge?**

**A.** It pays the cost to meet EPA regulations. It covers the operating costs of emission control equipment and other environmental costs.

**Q. Why does it change?**

**A.** Operation, maintenance and compliance costs change monthly. The surcharge will also increase as new equipment is added.

**Q. Who decides what both these charges are?**

**A.** Our power supplier uses formulas defined by state regulations. Every penny goes directly to our supplier. State regulators make sure only proper expenses are included.

**Q. Why is your bill different from other electric utilities?**

**A.** A co-op has a lot less people per mile to share the costs of distributing power.

People are asking many questions about energy. Here are simple answers about the fuel adjustment clause, the environmental surcharge and the difference between co-ops and other electric utilities that serve more heavily populated areas.

On average, co-ops serve about 9 customers per mile. Other utilities typically serve up to 4 times more customers per mile.

**Q. Why does that matter?**

**A.** If it costs \$30,000 to build each mile of line, other utilities have a cost of \$833 per customer. That mile costs the average co-op \$3,333 per customer.

**Q. What can I do to help lower my bill?**

**A.** We offer efficiency programs and free energy audits, and you can get free energy tips by logging on to [www.simplesavings.coop](http://www.simplesavings.coop).

We also invite you to take another empowering step and join the Our Energy, Our Future campaign. Log on to [www.ourenergy.coop](http://www.ourenergy.coop) and join the thousands of co-op members just like you who have already sent well over a million letters and e-mails to elected officials asking about our nation's energy and climate policy.

