

EAU CLAIRE ENERGY COOPERATIVE
FALL CREEK, WI 54742

RATE
SCHEDULE
PCA

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Effective: October 1, 2016

POWER COST ADJUSTMENT

PCA

A Power Cost Adjustment (PCA) shall be applied to all Eau Claire Energy Cooperative rate schedules that incorporate Rate Schedule PCA.

This PCA will be equivalent to the twelve month rolling average amount charged by our wholesale power supplier, adjusted to account for distribution line loss, calculated as follows:

CALCULATION – The Power Cost Adjustment (PCA) in dollars per kilowatt-hour shall be determined as follows:

$$A = ((C - T) / AS) - B + R + T$$

Where:

A = Power Cost Adjustment (PCA)

C = Total dollars of purchased power costs for the twelve month period ending with the second previous expense month

AS = Actual retail sales for the twelve billing months period ending with the second previous expense month

B = The amount of Purchase Power and Fuel cost included in base rates on a per kWh basis

The base for this PCA (B) is the system average of \$0.0808 per kWh

R = Over/(Under) Recovery (See below)

T = Any rate changes, surcharge or credit assessed monthly by our wholesale power supplier that is not included in the applicable electric rate schedule

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Over/(Under) Recovery Calculation

At the end of each 12 month period ended April a charge/(credit) per kilowatt hour shall be added to the customer's monthly rate to account for the difference in actual purchased power cost for the 12 month period and the amount it billed customers for purchased power through base rates plus the PCA. The charge/(credit) shall remain in effect for the following 11 months. The over/(under) recovery amount per kilowatt-hour shall be determined in the following manner:

$$R = ((PPB - T) + BAL - PPR) / S$$

Where:

R = Over/(Under) Recovery Factor per kilowatt-hour

PPB = Purchased Power Cost billed to from the power supplier for the 12 month period

BAL = PPB - PPR + [BAL from the previous 12 month period] - [R x kWh's sales applicable to R]

PPR = Purchased Power Cost recovered from customers through the application of base rates and the PCA =
(B x previous 12 months kWh sales) +
(A for each of the previous 12 months x the 12 kWh sales for each of the previous 12 months)

S = Expected kWh Sales for the next 11 month billing period