

Dear MCEC member:

As recently announced at our Annual Meeting, over the past several months we have had an independent consultant performing a comprehensive cost of service and rate study to determine our revenue needs as we look to the future.

The outcome of this detailed analysis shows that as our operating costs have continued to increase, additional overall revenue of approximately 4.17% is needed to keep your electric cooperative fiscally sound. The rise in operating costs is attributed to increases in property taxes, wholesale power cost, transportation expenses, upgrades in technology/computer systems including enhanced cybersecurity safety measures to keep member information secure and other expenses. Simply put, our cost of doing business has increased ... and as your not-for-profit, member owned cooperative, our goal is to collect just enough to support our business model and then return any margins (capital credits) back to you.

I am very proud of how diligently our Board of Trustees and employees work to control costs and mitigate expenses here at MCEC. It is an honor to provide quality electric services to each and every member of Mid-Carolina Electric Cooperative.

Sincerely,



Bob Paulling, CEO

The following chart shows the rate adjustments that will go into effect on bills rendered after August 1, 2019.

SERVICE TYPE	Account Charge per day		On-Peak Charge NO CHANGE	Energy Charge per kWh	
	OLD	NEW		OLD	NEW
Residential/Farm	90¢	95¢	\$12.00 / kW	4.7¢	5.15¢
Small Commercial	\$1.20	\$1.40	\$14.75 / kW	5.7¢	5.8¢
Outdoor Lighting	≈ 4% increase				