

(To Be Released September 23rd)

BCES OR TVA WILL NOT HAVE A RATE INCREASE

TVA Grid Access Charge Effective October 1, 2019

BCES and TVA will **NOT** have a rate increase for 2019-2020 Fiscal Year. However, TVA is implementing the Grid Access Charge for all Local Power Companies.

TVA defines the Grid Access Charge or “GAC” as the cost for BCES to access the TVA Transmission System at a given capacity. The grid access charge is a monthly fixed dollar amount based on the local power company’s average 5-year load to TVA.

Effective October 1, 2019 BCES will be recovering this cost as required by TVA. The GAC will not create any additional revenue for BCES.

- TVA will **lower their kWh energy rate by \$.00512/kWh**. BCES will be passing this directly back to every customer effective October 1, 2019.
- BCES Residential Customers will be charged to recover the GAC based on their Max Demand at \$1.05/kW.
- BCES Commercial Customers will be charged to recover the GAC by adding an additional \$.69/kW to their current Max Demand Charge.

Based on the **reduction per kWh (-\$.00512)** and the new \$1.05/kW demand charge bills may vary based on energy usage and demand for Residential Customers.

Example1: 6.0 kW Demand and 1,000 kWh Energy Usage

$$(6.0 \text{ kW} \times \$1.05) - (1,000 \text{ kWh} \times .00512)$$

$$\$6.30 - \$5.12 = \$1.18 \text{ bill increase, sent directly to TVA}$$

Example2: 6.0 kW Demand and 1,500 kWh Energy Usage

$$(6.0 \text{ kW} \times \$1.05) - (1,500 \text{ kWh} \times .00512)$$

$$\$6.30 - \$7.68 = -\$1.38 \text{ bill decrease to customer}$$

The electric distribution system is engineered based on demand, to deliver the required capacity, at any moment, to serve a customer location.

The GAC will be included in the bills, printed and mailed during the first week of November. The usage on this bill will be for October. If you have any questions, please call BCES at 731-584-8251.

