

2016 Rate Adjustment - PCA goes to \$0

While the base electric rate has not changed, the Power Cost Adjustment has been reduced to zero. Changes to the service charge for residential customers and the demand charge for businesses are also reflected for the first time on this bill. Here's an explanation:

OLD ENERGY COSTS: RESIDENTIAL

5.78 cents/kWh minus .43 cent-PCA = 5.35 cents/kWh

5.35¢/kWh

NEW ENERGY COSTS: RESIDENTIAL

5.78 cents/kWh minus \$0 PCA = 5.78 cents/kWh

5.78¢/kWh

OLD ENERGY COSTS: COMMERCIAL

3.50 cents/kWh minus .42 cents/kWh = 3.08 cents/kWh

3.08¢/kWh

NEW ENERGY COSTS: COMMERCIAL

3.50 cents/kWh minus \$0 PCA = 3.50 cents/kWh

3.50¢/kWh

SERVICE CHARGE

OLD RATE: \$15

NEW RATE: \$16

The monthly service charge offsets the fixed costs of providing electric service to each customer, including poles, transformers, power lines and meters, as well as postage and billing compilation. This fixed cost is what keeps the system on standby, ready for you to flip a switch.

DEMAND CHARGE

Applied to commercial and industrial customers, the demand charge is based on the peak power usage, or demand, that a business places on the power delivery system.

Old commercial demand rate:

\$6.25/KW

New commercial demand rate:

\$7.25/KW

Old industrial demand rate:

\$6.50/KW

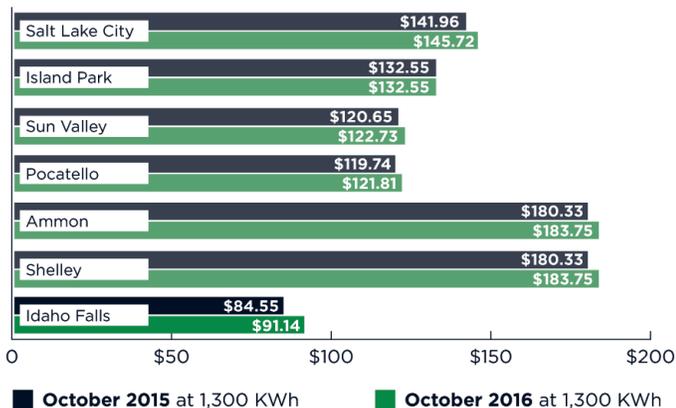
New industrial demand rate:

\$7/KW

How will these changes affect me?

IFP's average residential customer uses 1,000 kilowatt-hours per month. Under the rate change that took effect Oct. 1, 2016, this customer's bill would increase from \$68.50 to \$73.80.

Monthly Power Bill Comparison IN SELECT CITIES



What is the Power Cost Adjustment (PCA) and why did the credit that appeared last year go away?

This PCA is a price signal into the variability of IFP's power supply costs given that we are largely dependent upon hydropower. It was designed to pass along savings (via PCA credit) in good water years or costs (via PCA charge) in bad water years.

The snowpack this winter was 75 percent of average, hampering hydro generation. In addition, poor market conditions led to a substantial reduction in sales of surplus power generated at our four hydro plants. These factors led to the reduction of the PCA for the coming fiscal year.

If you'd like to discuss ways to save money on electricity, we offer free energy audits. Call 612-8430 for more information or to schedule an audit of your home or business.

PUBLIC POWER



IFP held its annual Open House on Sept. 24 in advance of Public Power Week, a chance to celebrate the benefits of “public power” — electricity that comes from a community-owned and operated utility.

IFP is one of more than 2,000 public power entities in the US, serving more than 48 million Americans.

Among the benefits:

LOCAL CONTROL

IFP is governed by the Idaho Falls City Council, not an independently elected or appointed board.

LOW RATES

Unlike private power companies, public power utilities like IFP are public service institutions whose mission is to serve their customers rather than stockholders. We measure success by how much money stays in our community through low rates and contributions to the city budget.

CUSTOMER-FOCUSED

Like most other public power entities, IFP has a reputation for reliable, customer-focused service. You can contact us at any time, 24 hours a day on nights, weekends and holidays, and speak with an IFP representative.

PUBLIC POWER, BY THE NUMBERS

49

Number of states with public power systems (all except Hawaii).

2,013

Number of public power systems in the US.

3 million

Number of business customers served by public power nationwide.

1880

Year first public power system was created.

1900

Year IFP was created.

1.47 million

Number of customers served by the largest public power entity (Puerto Rico Electric Power Authority).

27,000

Number of customers served by IFP.

Old Lower Plant back online

One of four hydropower facilities owned and operated by Idaho Falls Power, the Old Lower Plant began generating electricity again in September after being offline for five years.

The plant, which consists of two turbines with a nameplate capacity of 1.87 megawatts each, dates back to the 1930s, when Utah Power and Light installed it off what is now Sunnyside Road. The City purchased the plant in the 1940s and added a third turbine (8 MW capacity) in the 1980s.

The Old Lower Plant went down in 2011 and the effort to repair to the generator began shortly thereafter. Two new vertical turbines were installed, the stator was re-wound and the rotor was cleaned. New equipment was also installed as part of the project to rehabilitate the plant, and existing equipment was rehabilitated.

The repairs are expected to extend the life of the plant at least another 75 years and means IFP is capable of generating approximately 50 megawatts at its four hydro facilities, which also include the City Plant, Upper Plant and Gem State. A megawatt can power up to 1,200 homes.

On average, IFP’s hydro plants provide about a third of the city’s electricity needs.

Scam Alert

We’ve received reports recently about a scam in which someone calls Idaho Falls Power customers demanding payment and threatening disconnection if payment isn’t made immediately, over the phone, via credit card.

We want to remind you that IFP will never contact you demanding payment over the phone. All of our billing is handled through the City Utilities office, and their representatives do not demand payment over the phone, either.

Here are some red flags indicating someone is trying to scam you:

- The caller cannot provide basic account information, particularly your account number.
- The caller refuses to offer a payment plan to resolve your account balance.
- The caller demands immediate payment over the phone via credit or debit card.
- The caller says your bill is overdue but you have not received written notice.

When in doubt, hang up and call the Utilities office at 612-8280 or 612-8144 to verify the status of your account.

FREQUENTLY CALLED NUMBERS

New connects or disconnects . . . 612-8280
Power Outages 612-8430

Energy Efficiency Programs . . . 612-8526
High Electric Bill Questions . . . 612-8436