

# Changes to Your Electric Bill Coming in 2027

The cost of providing electricity isn't based only on how much energy you use. It also depends on how much electricity you use at one time. That's called demand.

Beginning in 2027, residential and general service members will see a demand charge added to their electric bill. This change better reflects how the Cooperative pays for power and helps cover the cost of building and maintaining an electric system that can meet members' highest demand.

## What's Changing?

Today, your electric bill includes:

- ✓ Basic Service
- ✓ Energy (kWh)

Beginning in 2027, your bill will include:

- ✓ Basic Service
- ✓ Energy (kWh)
- ✓ Demand (kW)

## Understanding the Three Parts of Your Bill

**1. Demand (kW)** measures the amount of power required in an instant to satisfy the needs of all your connected appliances, lighting, heating, etc.

**2. Energy (kWh)** is the total amount of electricity you use over time. This is what powers your lights, appliances, electronics, and other electrical devices throughout the month.

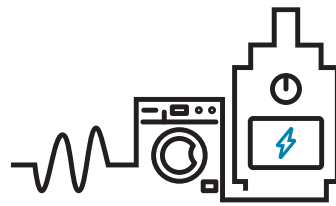
**3. Basic Service Charge** covers the fixed costs of providing electric service to your home, including meters, transformers, power lines, billing, and other equipment needed to safely deliver electricity.

## Why Does Demand Matter?

Demand has always been part of your electric rate. In the past, those costs were blended into the energy and basic service charge.

Breaking out the demand charge creates a rate that more accurately reflects the cost of providing electricity to members. The electric system must be built to handle times when electricity use is at its highest – not just the total amount of energy used over the month.

## How to Reduce Your Peak Demand



# SPREAD DON'T STACK



### Spread – Don't Stack

Avoid running large appliances at the same time. Dryers, ovens, water heaters, EV chargers, and electric heating/cooling systems can all increase demand. Spread out your electric use.

### Be Aware of Hot Water Use

Water heaters often turn on after a big draw, like a morning shower or an evening dishwasher cycle. If that happens while other large appliances are running, your demand will spike. On-demand, tank-less, electric water heaters can dramatically increase your peak demand.



### Cool It (or Heat It) Before You Need It

Pre-cool or pre-warm your home before your busiest hours. This helps avoid peak energy use times.

### Hit That 'Delay Start' Button

Run dishwashers, laundry, and other appliances later in the evening or overnight to reduce peak demand.



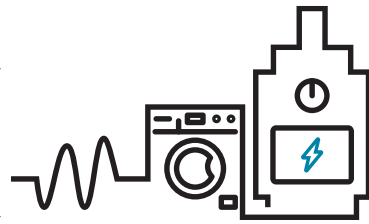
# Understanding Electric Demand



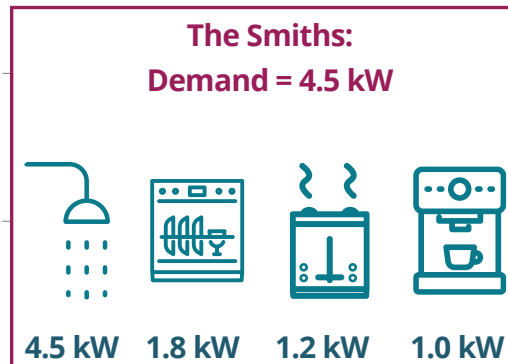
The Smiths  
**SPREAD** their  
energy use  
throughout the  
day.

By spreading  
and not  
stacking, they  
are able to lower  
their individual  
demand.

Smiths  
Demand:  
**4.5 kW**



**SPREAD  
DON'T STACK**



\$\$\$\$\$ **The Johnsons:**  
Demand = 8.5 kW

\$\$\$\$\$ + 4.5 kW

\$\$\$ + 1.8 kW

\$ + 1.2 kW

\$ + 1.0 kW



The Johnsons  
**STACK** their  
energy use  
– turning  
everything on at  
once.

Because they  
stack and not  
spread, their  
individual  
demand is  
higher.

Johnsons  
Demand:  
**8.5 kW**

## Monitor Your Demand Today

Members won't see a charge associated with the demand line item on their bill until 2027.

Now is the time to start  
monitoring your electric  
bill or sign up for  
SmartHub® at  
siouxvalleyenergy.  
smarthub.coop or scan  
the QR code here.



Learn what appliances will impact your electric bill before the demand charge takes effect in 2027.



Sioux Valley Energy has a calculator  
on its website that can help:  
[www.siouxvalleyenergy.com/demand-calculator](http://www.siouxvalleyenergy.com/demand-calculator).



Our **Time of Use Rate** may be a good fit for your family. Learn more about how shifting your family's energy use could impact your monthly bill at <https://www.siouxvalleyenergy.com/programs-and-rebates>