



RATE HISTORY

- 1945 In 1945 and 1946 the rates were reduced by shortening the high cost energy blocks prior to the end rate.
- 1964 Rising costs, rapid growth, and an anticipated increase in the cost of wholesale power purchased from Bonneville Power Administration caused Salem Electric to raise its retail rates by 4% in January 1964; the first rate increase in the history of the Cooperative. In 1965 BPA raised its wholesale rates to Salem Electric by 17%.
- 1974 Salem Electric increased its rates an average of 25%, effective July 1, 1974, in anticipation of an increase of approximately 27% in the cost of purchased power from BPA. The new rates averaged out at just over one cent per KWH. Subsequently, in December 1974, BPA announced a 30% increase in the cost of power.
- 1978 On January 1, 1978, Salem Electric raised its retail rates 40%. The increase was to provide funds for a rapidly growing distribution system, and to reduce the need for additional borrowing.
- 1979 In December of 1979, a 32% general increase in rates was put into effect. This was necessary primarily to cover the 81% increase in wholesale power costs implemented by the Bonneville Power Administration in late December 1979.
- 1981 In July 1981, a 25% average increase in rates went into effect. The increase was due entirely to a 58% increase in Salem Electric's wholesale costs from the Bonneville Power Administration. Salem Electric was advised by BPA that further substantial wholesale rate increases could be expected in 1982.
- 1982 In October 1982, Bonneville announced a 60% increase in their wholesale power rates. This resulted in a 33% increase in retail rates by Salem Electric. The sole purpose of Salem Electric's increase was to cover the Bonneville rate hike and associated costs, (taxes and fees paid by Salem Electric which are based on gross revenues.)
- 1983 In October 1983, the Bonneville Power Administration increased its wholesale rates by 60% - necessitating a 21% increase in Salem Electric retail rates. For the first time, the Board appointed a Rate Advisory Committee, from the membership, to make recommendations regarding the increase. Their three-month study resulted in a proposed rate design that was adopted by the Board.
- 1985 BPA's wholesale rate increase, which took effect in July 1985, was about 1%. This minimal increase enabled Salem Electric to advise the members that the same level of service could be maintained without a retail rate increase throughout 1985 and 1986.

- 1987 September of 1987 saw Salem Electric's first rate increase in four years. The 6% increase resulted from two actions taken by the Bonneville Power Administration; an increase in their rates and a severe reduction in funds for residential weatherization. The Board authorized increases to cover BPA's rate increase and to replace the conservation funding that had been cut.
- 1991 An 8% rate increase became effective on September 1, 1991. The increase was due to an increase in wholesale power costs from the Bonneville Power Administration, and included, for the first time since 1983, a portion to meet Salem Electric's growing cost of doing business. The new rates included, for the first time ever, a special "off-peak" rate for Salem Electric's commercial customers and a Schedule 7 for New Large Single Loads.
- 1993 The Bonneville Power Administration increased their wholesale power rates by 15.8%. At the August board meeting, the board of directors adopted a rate schedule that reflected a 10.3% increase to all customers that would take effect September 1, 1993. The purpose of the Salem Electric rate increase was to cover costs resulting from the BPA increase.
- 1995 Effective September 1 the board approved a 7.4% rate increase. Of this, 2.6% was due to a 4% increase in wholesale rates by BPA and 4.8% was to cover SE 's costs.
- 1997 At the September '96 board meeting new rate schedules were approved for residential and general service customers effective January 1, 1997. This resulted in an average rate decrease of 4.4%. The Bonneville Power Administration decrease of 7.4% was offset by SE increases of 2% to cover the costs of SE conservation programs and 1% to cover the costs of anticipated SE operations over the next five years. The new rate included an adjusted schedule with summer rates running May 1 through July 31, and winter rates from August 1 through April 30.
- 1999 Due to the purchase of 6.5 Mw of green power through the Foote Creek Rim wind power project in Wyoming, a rate increase of 3.5% went into effect on May 1. Effective July 1, the City of Salem increased its franchise fee by 1.5%, making the total fee 5%. The increase affects all Salem Electric members living within the Salem city limits.
- 2001 Effective February 1, 2001, the City of Keizer increased its franchise fee by 1.5%, making the total fee 5%. The increase affects all Salem Electric members living within the Keizer city limits.
- At the September 2001 board meeting, new rate schedules were approved for residential and general service customers effective October 1, 2001. This was due to a 46% increase in wholesale power cost from BPA. The new rate schedules reflected an increase of 26% for residential and 28% for general service customers.
- 2003 Effective October 1, BPA's wholesale rate increased 2.2%. However, SE did not change its retail rates.

- 2006 At the August 2006 board meeting, new rate schedules were approved for residential and general service customers effective October 1, 2006. The 15.3% rate increase affects the basic charge and all rate classes, including lighting. The increase was necessary to offset lower revenue due to the loss of a large industrial customer (20% of SE's load), increasing operational costs and purchasing 1.8 mW of EPP from BPA. Rate structure changes include the elimination of both the inverted block rate for residential customers and the summer/winter seasonal rate differential for general service customers.
- 2009 As a result of credits Salem Electric is receiving from BPA and a reduction in capital needs, rates were reduced 5% effective January 1, 2009. The reduction applied to power and demand charges. Other fees, including rental lights, remained unchanged.

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Revised: 03/01/09

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