

What is an AVAILABILITY CHARGE?



An availability charge is a monthly fixed charge that covers everything needed to deliver electricity at the flip of a switch, including...

...poles, wires, and transformers that make up the co-op's infrastructure.

...facilities and equipment needed to repair and maintain the distribution system.

...people and supplies to run a successful electric cooperative.

How does it differ from an ENERGY CHARGE?

While an availability charge covers the cost of delivering and maintaining electric service to a member, an energy charge is the cost of the actual electricity a member uses.

Our energy rate includes wholesale power supply and any of our costs that vary depending on how much you use.

HOW IS THE AMOUNT of an availability charge SET?

The co-op's **COST OF SERVICE STUDY** evaluates the cost of providing electricity to all of Cherryland's

38,000 MEMBERS

To avoid subsidizing specific rate classes, **THE STUDY DETERMINES SERVICE COSTS** across all types of members, including residential, commercial, agricultural, and industrial. The fixed cost for each member class is their availability charge.



How does Cherryland's availability charge COMPARE to others?

The amount of the charge varies utility to utility depending on the number of people served. For example, for every mile of line a municipal utility serves they may be able to divide their cost of service over 30 people. Rural cooperatives, on the other hand, may only be able to divide that cost over 10 people in the same mile. Whether a person is served by a municipal utility or cooperative, the cost of the mile of line stays the same. **THE MORE PEOPLE A UTILITY SERVES PER MILE OF LINE, THE MORE PEOPLE TO DIVIDE THAT COST AMONG AND THE LESS THE CHARGE PER PERSON.**

