

1102 W 9th Street North PO Box 99 Ladysmith, WI 54848 715-532-5524 JREC.COM

October 5, 2022

Dear JREC Member:

Over the past year we have all experienced rising and fluctuating costs for many goods and services. The cost of providing electricity to our members has been impacted the same way. Dairyland Power Cooperative (DPC), our power supplier, also reported recently that they have experienced higher-than-normal wholesale power costs, resulting in a power cost adjustment (PCA) on this month's bill, and very possibly future bills.

In a previous mailing and in our monthly magazine, we announced new rates effective September 1, 2022, based on a Cost-of-Service Study. That increase is reflected on this month's bill along with the unexpected PCA from our power supplier, DPC.

During the months of July and August, DPC's electricity production cost was drastically higher than expected due to high demand, delayed coal deliveries, and increased fuel costs (primarily natural gas). Combined with higher-than-budgeted purchased power costs in the energy market, expenses hit a threshold resulting in this PCA.

While your Cooperative does it's best to keep internal costs down, as does DPC, unfortunately, we could not anticipate this historical fluctuation in the cost of purchased power. We must pass this PCA charge of 2.464 cents per kilowatt-hour onto our members.

What can you do about this? The less energy you use, the less impact a PCA charge will have on your future bills. We also publish energy efficiency tips in our monthly magazine, on our website, and on our Facebook page. We encourage you to use this information to help lower your usage.

The Board of Directors and staff of JREC will continue to operate our business efficiently, focusing on those factors within our control. If you need help paying your electric bill, go to jrec.com/energy-assistance or call 1-866-432-8947 for State assistance programs.

We are dedicated to serving you and will continue to make our decisions with your best interests in mind. Please call us if you have any questions about your bill or for ways to save energy.

Sincerely,

Kurt Harris General Manager/CEO

JREC is an equal opportunity provider and employer.