

Wholesale Power Cost Adjustment Frequently Asked Questions

Effective May 1, 2018, the wholesale power cost adjustment (WPCA) charge on your bill is increasing. Here are answers to some frequently asked questions to help you better understand the WPCA and the reason for this increase.

Q. Why am I paying more for my power?

A. BEMC is a distribution electric cooperative. We do not generate our own power – we buy it from our statewide organization North Carolina Electric Membership Corporation (NCEMC), who negotiates the best price on our behalf, and we sell it to our membership at the lowest cost possible without a profit motive.

The price we pay for power from NCEMC has increased in 2018 and as a not-for-profit organization BEMC has to pass those additional costs onto our membership. Because this is a wholesale power cost, members will see the additional costs included in the WPCA on their monthly bill.

Q. What is the Wholesale Power Cost Adjustment (WPCA)?

A. BEMC determines a projected cost for power that will be purchased from NCEMC. The WPCA charge is implemented when the actual or projected cost of power from NCEMC exceeds the cost of purchased power recovered in our retail rate schedules. This charge helps maintain the financial integrity of the Cooperative when our costs increase.

Q. How much is my cost increasing?

A. As of May 2018, the WPCA charge is \$0.00731 per kWh. Prior to that, the charge was \$0.00398 per kWh. The average monthly residential member uses 1,000 kWh per month which is an increase of \$3.28 per month, or a 2.6% increase.

Q. I'm a PrePay member – there is no line item on my bill because I do not receive a bill. How does this affect me?

A. To ensure fairness across the membership, PrePay members pay the same kWh charges as billed members but it is deducted in small daily increments from the total balance on the account. The increase in the WPCA will be such a small amount most PrePay members will not notice the change.

Q. I live in Southport and receive a bill from BEMC. Why don't I have this item on my bill?

A. City of Southport residents are not members of BEMC. While BEMC maintains the power lines, handles billing and customer service through an agreement with the City of Southport, we do not provide the power. Southport residents receive their power from ElectriCities and any rates or fees charged to Southport residents are determined by the City and ElectriCities. For further information please contact the City of Southport.

For additional information about BEMC's rates and charges, please refer to the rate schedule which can be found at this link:

http://www.bemc.org/sites/brunswickemc/files/18Rates_01_01.pdf.