

# East Kentucky Power Cooperative implements its rate increase

East Kentucky Power Cooperative, which generates and transmits wholesale electricity to 16 distribution electric cooperatives, including your local cooperative, has received approval to raise the base rates it charges its 16 owner-member electric distribution co-ops. **The rate increase is from EKPC, not from the co-ops, and any additional revenue from this rate increase will go to EKPC, not the distribution co-ops.**

With the recent approval by the Kentucky Public Service Commission, EKPC will add about \$4.16 or 2.9% to

the monthly bill of the average residential member.

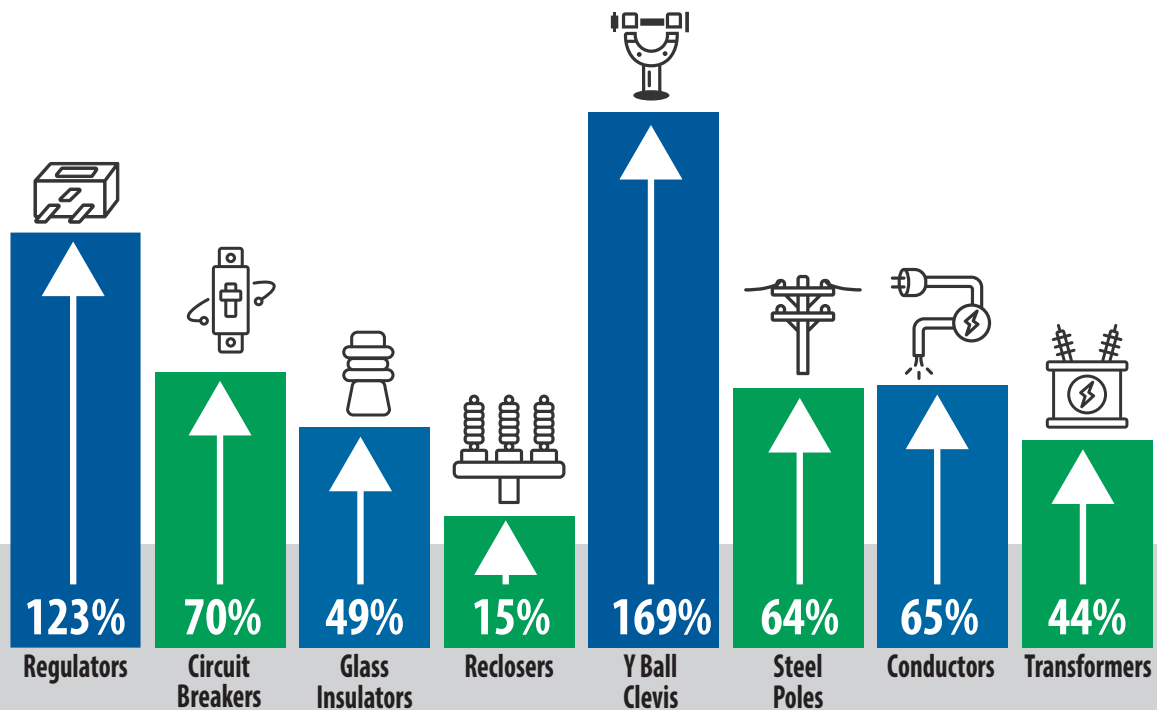
EKPC needs a base rate increase to ensure there are sufficient margins to maintain financial strength and reliable service. Inflationary costs of the materials needed to operate and maintain the system along with increased expense from higher interest rates are driving the need for the increase.

Please bear in mind that the wholesale power—EKPC—component of your electric bill is about 74%. The remaining funds are used by your co-op to

maintain and operate its system and to cover other costs.

As a not-for-profit, member-owned organization, EKPC strives to keep rates steady by containing and reducing operating costs. One of the most effective ways EKPC has done that is by obtaining low-cost energy through PJM, a major regional energy marketplace. As a result of the effort by your co-op and EKPC to keep energy economical, your co-op's rates are competitive with neighboring utilities.

## Transmission equipment price increases since 2020



# Most of each distribution co-op's revenue goes to purchase power

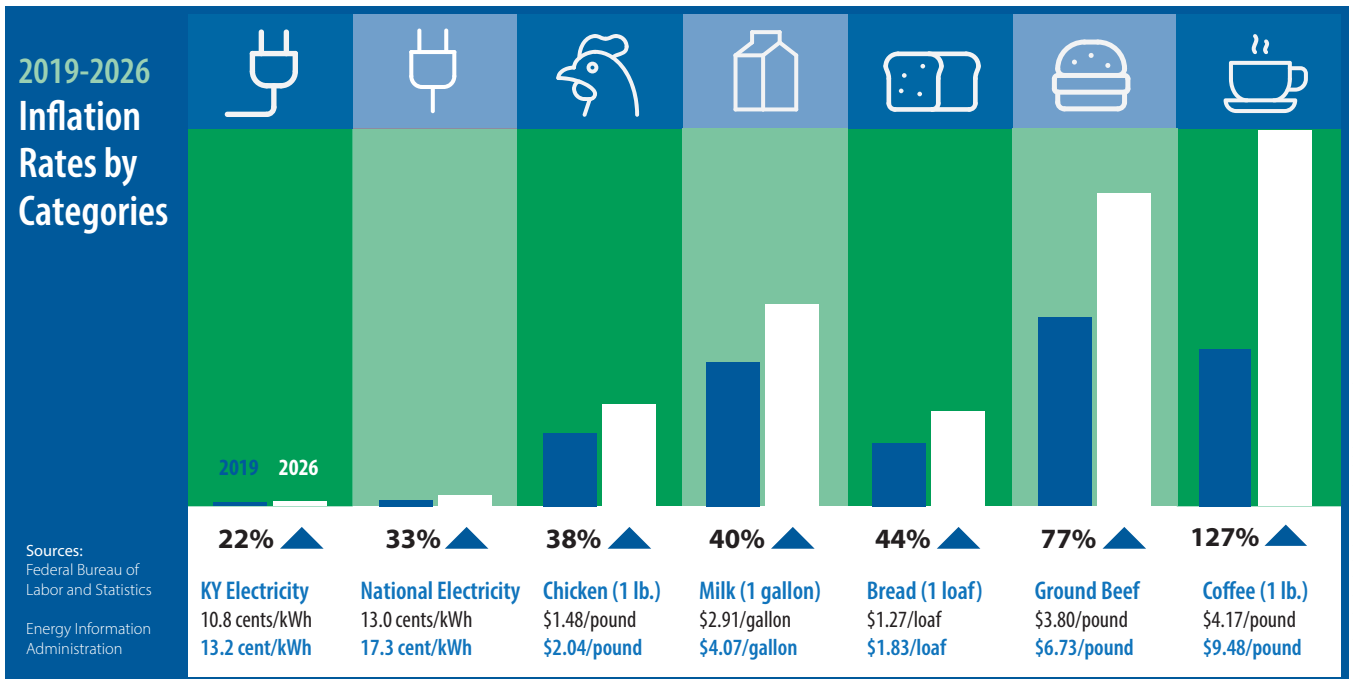
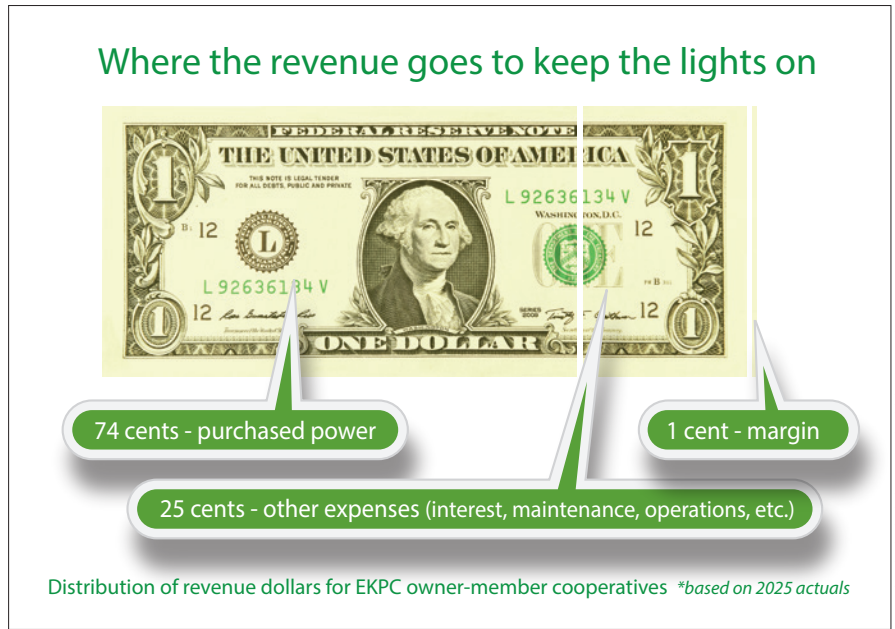
When you look at your monthly electric bill from your co-op, you might wonder how the money is used to keep the lights on.

You may be surprised that out of every dollar of revenue collected by your local cooperative, about 74 cents goes to buy wholesale electricity from East Kentucky Power Cooperative as the power supplier. EKPC's owner-member distribution cooperatives spend on average another 25 cents of each dollar on operating and maintenance costs, interest expense, depreciation and other costs of doing business.

In 2025, the average margin—the money left over from revenue after expenses are paid—for the co-ops was about 1 cent of every dollar received. The margin is reserve capital that covers storm damage, uncollected bills and business risks. If the reserve

becomes too large, the co-ops sometimes share the excess revenue with

their end-use members in the form of capital credits.



# The value of electricity

People living in the late 19th century would hardly know what to do if they could see the world in 2026. The entirety of the way we live has changed so drastically in the last 150 years it would be unrecognizable to anyone living before December 1879. That was when Thomas Edison produced his first incandescent lamps.

A precursor to today's modern LED lightbulb, Edison's first successful electric lamp, and later his first electric generation station, Pearl Street Generation Station (1882), would usher in a lifestyle that was truly unimaginable as recently as the 1870s.

Today, almost all of us wake up in a home that is heated or cooled to a comfortable temperature and is connected to a nationwide power grid. Most of us have practically all of the world's information available at our fingertips through devices that also play music, serve as alarm clocks and allow us to talk to anyone in the world at any time. It's all powered by electricity.

According to the U.S. Energy Information Administration, total U.S. electricity consumption was 4.43 trillion kilowatt hours in 2025. That's 15 times more electric than was used in 1950. We depend on electricity for so many things that it would be hard to imagine a life without it.

Think about what your kitchen or living room would look like without electricity. No oven, refrigerator, freezer, icemaker, toaster oven, microwave, lights or air conditioning. No television or modern arts like film and TV shows. No recorded music. No ceiling fans. No LED lighting. Entertainment might be reading a book via candlelight and a fire for warmth.

Electricity remains an undeniable bargain. It is one of life's great conveniences, and in modern times, is a necessity. It has made our lives easier and more enjoyable, too.

**What does \$1 of electricity buy you?**  
running your ceiling fan for  
**3.5 Days**

**What does \$1 of electricity buy you?**  
surfing, gaming, working on your computer  
**23 Hours**

**What does \$1 of electricity buy you?**  
washing laundry in warm water/cold rinse  
**4 Loads**

**What does \$1 of electricity buy you?**  
keeping a 9-watt LED bulb on for almost  
**800 hours**

Like everything else, the cost for electricity has gone up over time due to a number of factors.

But consider the cost of a gallon of gas 30 years ago compared to today's price. How about a pound of coffee or a loaf of bread? While this doesn't take the sting out of rising costs, electricity has typically increased at a rate lower than that of normal inflation.

Whenever you plug in an electrical device, flip on the TV or get a cold drink from the fridge, electricity remains a good value for the lifestyle we all enjoy.

Here are some common household electronics and how much it typically costs to operate them:

- Refrigerator: 22¢ for 24 hours
- Microwave: 2¢ for 5 minutes

**What does \$1 of electricity buy you?**  
watching TV with your loved ones  
**59.9 Hours**

- Phone charger: 50¢ for 1 year
- Dishwasher: 4¢ for 1 hour
- 40-inch HD TV: 4¢ for 2 hours

Sources: U.S. Department of Energy, U.S. Energy Information Administration

KENTUCKY'S TOUCHSTONE ENERGY COOPERATIVES

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