



**Southern Iowa Electric  
Cooperative, Inc.**

P.O. Box 70  
Bloomfield, IA 52537-0070  
Telephone: 641-664-2277 • 800-607-2027

January 24, 2025

Chris Miller, Mayor  
City of Bloomfield  
111 West Franklin St.  
Bloomfield, IA 52527

RE: Notice of Rate Increase

Mayor Miller,

In 2018, the Southern Iowa Electric Cooperative (SIEC) Board of Directors approved a 5% rate decrease of the applicable energy charge (kWh) for the City of Bloomfield as part of the 2019 SIEC budget. The decrease was effective January 1, 2019 and was scheduled to expire on December 31, 2019 at which time the energy rate would have returned to the previous amount of \$0.03644/kWh as indicated within the rate schedule dated July 24, 2018. However, due to the financial performance of Associated Electric Cooperative (AECI) and Northeast Missouri Electric Power Cooperative (NEP), additional discounts were extended to the City of Bloomfield in 2020, 2021, and 2022 equating to an 8.7% decrease of the energy (kWh) charge.

In preparation of the 2025 SIEC Budget, a review and analysis of rates was completed following the approval of the 2025 Northeast Missouri Electric Power Cooperative (NEP) budget. The NEP Board of Directors made the determination that a rate increase would be necessary in 2025 to meet revenue requirements, and thus, wholesale power costs will increase by 4.1% for SIEC for the 2025 calendar year after increasing by 9.7% in 2023 and 7.2% in 2024.

After careful consideration, the SIEC Board of Directors have elected to extend an estimated 3.1% rate increase that will be distributed and applied to the current discounted energy (kWh) rate of \$0.03480/kWh and the demand (kW) rate of \$16.00/kW; up to the annually established generation capacity threshold. The rate increase will be effective on April 1, 2025 through March 31, 2026 at which time the energy rate may return to \$0.03644/kWh, as indicated within the rate schedule dated July 24, 2018. Prior to December 31, 2024, revenue requirements will once again be considered as the 2026 SIEC budget is developed, and future wholesale power costs from Northeast Missouri Electric Power Cooperative (NEP) are determined.

This *Notice of Rate Increase* is consistent with the language contained within the 2015 Wholesale Electric Service Agreement in which Section 8; Charges for Service states, **"After December 31, 2016, the rates and charges are subject to change, both increases and decreases by the Cooperative, as it chooses to pass on changes in Cooperative costs to the City."**

The official notice and adjusted rate schedule accompany this correspondence. Please note the energy (kWh) and demand (kW) rate increases that are indicated in bold type. Of note is that the indicated rate increase is very close to "at cost" and effectively reflects the power supply costs of SIEC.

Please communicate any questions or concerns.

Regards,

/s/ Greg Proctor  
CEO/ General Manager

## NOTICE OF CHANGE IN RATE SCHEDULE

January 24, 2025

This Notice is provided pursuant to Section 8 of the 2015 WHOLESALE ELECTRIC SERVICE AGREEMENT between Southern Iowa Electric Cooperative, Inc. and the City of Bloomfield, Iowa. As noted in said Agreement, beginning January 1, 2017 and thereafter, the rates and charges are subject to change, both increases and decreases by the Cooperative, as it chooses to pass on charges in Cooperative costs to the City. The changes in rates are set forth in the table below and reflect a 0.7% increase applied to the applicable discounted energy charge (kWh) and a 8.4% increase to the applicable demand charge (kW) up to and including the annually established and accredited generation capacity effective April 1, 2025 and expiring on March 31, 2026 at which time the previous energy rate (kWh), indicated on the Notice of Change in Rate Schedule dated July 24, 2018, will then apply – subject to the SIEC Board of Director's consideration. Please note that these rates are very close to "at cost" from SIEC's power supplier.

Year/Period	Energy Rate	Demand rate applied to kW up to and including the annual accredited diesel/ natural gas generation capacity (4 existing units)	Demand rate applied to kW in excess of the annual accredited diesel/ natural gas generation capacity (4 existing units)
7-1-2015 to 6-30-2016	\$0.0362/kWh	\$8.75/kW	\$8.75/kW
7-1-2016 to 4-30-2017	\$0.0362/kWh	\$9.62/kW	\$12.42/kW
5-1-2017 to 6-30-2018	\$0.03644/kWh	\$10.49/kW	\$13.82/kW
9-1-2017 to 6-30-2018	\$0.03644/kWh	\$11.91/kW	\$13.82/kW
7-1-2018 to 6-30-2019	\$0.03644/kWh	\$12.31/kW	\$14.34/kW
Effective 10/1/2018	\$0.03644/kWh	\$13.82/kW	\$14.34/kW
1-1-2019 to 12-31-2019	\$0.03462/kWh	\$13.82/kW	\$14.34/kW
1-1-2020 to 12-31-2020	\$0.03362/kWh	\$13.82/kW	\$14.34/kW
1-1-2021 to 12-31-2021	\$0.03328/kWh	\$13.82/kW	\$14.34/kW
1-1-2022 to 3-31-2023	\$0.03328/kWh	\$13.82/kW	\$14.34/kW
4-1-2023 to 3-31-2024	\$0.03414/kWh	\$14.87/kW	\$14.87/kW
4-1-2024 to 3-31-2025	\$0.03480/kWh	\$16.00/kW	\$16.00/kW
<b>4-1-2025 to 3-31-2026</b>	<b>\$0.03504/kWh</b>	<b>\$17.35/kW</b>	\$17.35/kW
4-1-2026 (subject to consideration)	\$0.03644/kWh	\$17.35/kW	\$17.35/kW

Please let us know if you have any questions concerning this Notice.

Sincerely,  
/s/ Darrell Downing  
Board President

/s/ Greg Proctor  
CEO/General Manager