



Claverack Rural Electric Cooperative, Inc.

Understanding Your Claverack Electric Bill

To understand your electric bill, you need to understand the charges and fees used to calculate it. Those charges and fees are listed under “Detail of Charges” on page two of your bill.

Cost of Service: The cost-of-service charge is a fixed monthly fee that covers costs associated with making electrical service available at your location. It’s a fixed fee because these costs are not based on the amount of energy you use. The cost-of-service charge helps ensure that all members are contributing their fair share toward the basic cost of constructing, operating, and maintaining the electric system. It includes investment in materials and equipment like poles, wires, meters, and transformers, as well as labor to provide members with safe and reliable electric service. It supports our fleet and facilities, member service functions, line maintenance, right-of-way clearing, customer service, and administrative responsibilities.

Generation: The generation component of your bill is a pass-through charge that covers our costs to purchase electric generation supply for our members. It also includes transmission costs associated with moving high-voltage electricity from a generation facility to our local substations. The generation charge is a variable charge based on how many kilowatt-hours of energy you use. Claverack purchases its generation supply from our generation and transmission provider, Allegheny Electric Cooperative.

Distribution: The distribution charge recovers the cost to deliver electricity to your home across the Claverack distribution system. The distribution charge is a variable charge that depends on how much electricity you use. It allows Claverack to recover costs for use of the distribution system to deliver electricity above the basic costs recovered in the cost-of-service charge.

KW: kilowatt is the basic unit of measurement of electric power. One kilowatt is equal to one thousand watts. Commercial/Industrial members are charged for their KW demand which is a measurement of the average KW measured over a 15-minute period.

Kilowatt-hour (kWh): The basic unit of measuring electric energy use. One kilowatt-hour is the equivalent of using ten 100-watt lightbulbs (1000 watts) for one hour. Members are charged for electricity in cents per kWh.