



**Policy 100: Rate Schedule**

Board Approved: January 28, 2026

*Chris Fine*

Board President

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## Residential Service – Effective February 1, 2026

**Application:** This rate will be applied to single-phase residential members for ordinary household purposes. Members who do not meet these criteria will be served under the applicable rate.

**Facility Charge:** \$30.00 per month.

**Energy Charge:** \$ 0.07045 per kilowatt-hour (kWh).

**Minimum Monthly Bill:** The minimum monthly bill shall be the facility charge.

**Prompt Payment of Bills:** An account becomes delinquent if payment is not received by the close of business on the date specified on the electric bill. A 1.5% per month penalty will be assessed on the unpaid balance. This charge is applicable to all members. The penalty may be waived, in full or part, by the action of the Director of Accounting and Finance and CEO for good cause shown.

Prior effective dates: 202502, 202405, 202101, 20200601, 201905, 201601, 201110, 201005

## General Service Single-Phase – Effective May 1, 2024

**Application:** This rate will be applied to single-phase members that do not meet the criteria of other single-phase rates. This includes commercial, institutional, government, farm, and other members.

**Facility Charge:** \$34.00 per month.

**Energy Charge:** \$0.07800 per kilowatt-hour (kWh).

**Minimum Monthly Bill:** The minimum monthly bill shall be the facility charge.

**Prompt Payment of Bills:** An account becomes delinquent if payment is not received by the close of business on the date specified on the electric bill. A 1.5% per month penalty will be assessed on the unpaid balance. This charge is applicable to all members. The penalty may be waived, in full or part, by the action of the Director of Accounting and Finance and CEO for good cause shown.

Prior effective dates: 202006, 201905, 201604, 201110, 201005

## Electric Heat – Effective February 1, 2026

**Application:** This rate will be applied to residential and commercial members with electric heat installations that meet the eligibility requirements stated below. This includes commercial, institutional, government, farm, and other members. This rate is only for qualifying heat loads and is in addition to the primary service.

**Applicable Billing Periods:** January through April and October, November, December.

**Facility Charge:** \$10.00 per month.

**Energy Charge:** \$0.05140 per kilowatt-hour (kWh).

**Minimum Monthly Bill:** The minimum monthly bill shall be the facility charge.

**Prompt Payment of Bills:** An account becomes delinquent if payment is not received by the close of business on the date specified on the electric bill. A 1.5% per month penalty will be assessed on the unpaid balance. This charge is applicable to all members. The penalty may be waived, in full or part, by the action of the Director of Accounting and Finance and CEO for good cause shown.

### **Eligibility Requirements:**

- 1) The member's electric heating installation must be a permanent electric resistance and/or heat pump space heating system in a permanent residence or commercial building.
- 2) The electric space heat must be separately sub-metered. McKenzie Electric shall furnish the metering equipment and install the electric heat meter. In addition to installing the McKenzie Electric provided metering equipment, the qualifying member will furnish and have installed at their expense any wiring necessary to permit the sub-metering of the electric heat load.
- 3) McKenzie Electric and its power supplier reserve the right to inspect all electric heat installations and associated metering installations.
- 4) Water heaters, grain dryers, and any non-space heating applications do not qualify for this rate. A water heater may be connected to the same service/meter as the consumer's electric heat; however, in those instances 400 kWh shall be subtracted from the electric heat meter to determine the qualifying monthly energy.

**Rate Note:** There may be an annual adjustment of the energy charge to reflect changes in Basin Electric's average system energy production cost. Rate adjustments will be made by the Board of Directors to keep the Cooperative in a sound financial condition.

Prior effective dates: 202502, 202405, 202006, 201905, 201705, 201704, 201604, 201301, 201110, 20100

## Seasonal – Effective May 1, 2024

**Application:** This rate will be applied to non-commercial, recreational, single-phase members using electric service on an intermittent basis or seasonal purposes. This includes lake cabins and hunting cabins.

**Facility Charge:** \$28.00 per month.

**Energy Charge:** \$0.08200 per kilowatt-hour (kWh).

**Minimum Monthly Bill:** The minimum monthly bill shall be the facility charge.

**Prompt Payment of Bills:** An account becomes delinquent if payment is not received by the close of business on the date specified on the electric bill. A 1.5% per month penalty will be assessed on the unpaid balance. This charge is applicable to all members. The penalty may be waived, in full or part, by the action of the Director of Accounting and Finance and CEO for good cause shown.

Prior effective dates: 202006, 201905, 201604, 201110, 201010

## Stock Water Wells – Effective May 1, 2024

**Application:** This rate will be applied to non-commercial pasture wells and stock water pumps.

**Facility Charge:** \$25.00 per month.

**Energy Charge:** \$0.06600 per kilowatt-hour (kWh).

**Minimum Monthly Bill:** The minimum monthly bill shall be the facility charge.

**Prompt Payment of Bills:** An account becomes delinquent if payment is not received by the close of business on the date specified on the electric bill. A 1.5% per month penalty will be assessed on the unpaid balance. This charge is applicable to all members. The penalty may be waived, in full or part, by the action of the Director of Accounting and Finance and CEO for good cause shown.

Prior effective dates: 202006, 201005, 201604, 201301, 201110, 201010

## Irrigation – Effective May 1, 2024

**Application:** This rate will be applied to irrigation only type services.

**Facility Charge:** \$75.00 per month.

**Demand Charge:** \$12.56 per kW of billed demand.

**Energy Charge:** \$0.03200 per kilowatt-hour (kWh).

**Power Factor Charge:** A power factor charge may be assessed for a power factor of 95% or lower.

**Minimum Monthly Bill:** The minimum monthly bill shall be the facility charge.

**Prompt Payment of Bills:** An account becomes delinquent if payment is not received by the close of business on the date specified on the electric bill. A 1.5% per month penalty will be assessed on the unpaid balance. This charge is applicable to all members. The penalty may be waived, in full or part, by the action of the Director of Accounting and Finance and CEO for good cause shown.

**Determination of Maximum Measured Demand:** The Maximum Measured Demand in any month shall be that demand in kilowatts (kW) necessary to supply the average kilowatt-hours in 15 consecutive minutes of greatest consumption of electricity during each month. Such Maximum Measured Demand shall be determined from readings of permanently installed meters or, at the option of McKenzie Electric Cooperative, Inc., by any standard methods or meters.

**Determination of Billed Demand:** When the Average Monthly Power Factor is equal to or greater than 95 percent, the Maximum Measured Demand shall be the Billed Demand.

When the Average Monthly Power Factor is less than 95 percent, the Maximum Measured Demand shall be adjusted to obtain the Billed Demand. The Billed Demand shall be determined each month by the following formula:

$$\text{Billed Demand} = \frac{\text{Maximum Demand} \times 95\%}{\text{Average Monthly Power Factor}}$$

The Average Monthly Power Factor is obtained by the following formula, where A = monthly use of kilowatt-hours and B = monthly use of lagging reactive kilovolt-ampere-hours as obtained from a reactive component meter. Any reactive component meter used shall be equipped with ratchets to prevent registration of leading Power Factor.

$$\text{Average Monthly Power Factor} = \frac{A}{\sqrt{A^2 + B^2}}$$

Prior effective dates: 202006, 201905, 201605, 201301, 201110, 201005

## General Service Three-Phase – Effective May 1, 2024

**Application:** This rate will be applied to three-phase members if their monthly Maximum Measured Demand does not exceed 25 kilowatts.

**Rate Transition:** A service in the GS-3 rate class shall be transitioned into the appropriate rate class if the Maximum Measured demand exceeds 25 kW for three or more months in a consecutive 12-month period. Consecutive months are broken upon a service transfer or member account change, therefore, the date a service transfers shall be the basis of when the 12-month period begins.

**Facility Charge:** \$90.00 per month.

**Energy Charge:** \$0.07454 per kilowatt-hour (kWh).

**Minimum Monthly Bill:** The minimum monthly bill shall be the facility charge.

**Prompt Payment of Bills:** An account becomes delinquent if payment is not received by the close of business on the date specified on the electric bill. A 1.5% per month penalty will be assessed on the unpaid balance. This charge is applicable to all members. The penalty may be waived, in full or part, by the action of the Director of Accounting and Finance and CEO for good cause shown.

**Determination of Maximum Measured Demand:** The Maximum Measured Demand in any month shall be that demand in kilowatts (kW) necessary to supply the average kilowatt-hours in 15 consecutive minutes of greatest consumption of electricity during each month. Such Maximum Measured Demand shall be determined from readings of permanently installed meters or, at the option of the Cooperative, by any standard methods or meters.

Prior effective dates: 202105, 202006, 201905, 201604, 201502, 201301, 201110, 201005

## Small Power – Effective February 1, 2026

**Application:** This rate will be applied to three-phase members if their monthly Maximum Measured Demand is in excess of 25 kilowatts (kW) but not greater than 200 kW per month.

**Rate Transition:** A service in the CP-1 rate class shall be transitioned into the appropriate rate class if the Maximum Measured demand falls below 25 kW for 12 consecutive months or exceeds 200 kW for three or more months in a consecutive 12-month period. Consecutive months are broken upon a service transfer or member account change, therefore, the date a service transfers shall be the basis of when the 12-month period begins.

**Facility Charge:** \$ 375.00 per month.

**Demand Charge:** \$ 15.00 per kW of billed demand.

**Energy Charge:** \$0.03900 per kilowatt-hour (kWh).

**Power Factor Charge:** A power factor charge may be assessed for a power factor of 95% or lower.

**Minimum Monthly Bill:** The minimum monthly bill shall be equal to the facility charge.

**Prompt Payment of Bills:** An account becomes delinquent if payment is not received by the close of business on the date specified on the electric bill. A 1.5% per month penalty will be assessed on the unpaid balance. This charge is applicable to all members. The penalty may be waived, in full or part, by the action of the Director of Accounting and Finance and CEO for good cause shown.

**Determination of Maximum Measured Demand:** The Maximum Measured Demand in any month shall be that demand in kilowatts necessary to supply the average kilowatt-hours in 15 consecutive minutes of greatest consumption of electricity during each month. Such Maximum Measured Demand shall be determined from readings of permanently installed meters or, at the option of the utility, by any standard methods or meters.

**Determination of Billed Demand:** When the Average Monthly Power Factor is equal to or greater than 95 percent, the Maximum Measured Demand shall be the Billed Demand.

When the Average Monthly Power Factor is less than 95 percent, the Maximum Measured Demand shall be adjusted to obtain the Billed Demand. The Billed Demand shall be determined each month by the following formula:

$$\text{Billed Demand} = \frac{\text{Maximum Demand} \times 95\%}{\text{Average Monthly Power Factor}}$$

The Average Monthly Power Factor is obtained by the following formula, where A = monthly use of kilowatt-hours and B = monthly use of lagging reactive kilovolt-ampere-hours as obtained from a reactive component meter. Any reactive component meter used shall be equipped with ratchets to prevent registration of leading Power Factor.

$$\text{Average Monthly Power Factor} = \frac{A}{\sqrt{A^2 + B^2}}$$

Prior effective dates: 202502, 202405, 202105, 202006, 201905, 201706, 201704, 201604, 201301, 201110, 201005

## Large Power – Effective February 1, 2026

**Application:** This rate will be applied to three-phase services if their monthly Maximum Measured Demand is equal to or greater than 200 kilowatts (kW) but not greater than 1000 kW per month.

**Rate Transition:** A service in the CP-2 rate shall be transitioned into the appropriate rate class if the Maximum Measured demand falls below 200 kW for 12 consecutive months or exceeds 1000 kW for three or more months in a consecutive 12-month period. Consecutive months are broken upon a service transfer or member account change, therefore, the date a service transfers shall be the basis of when the 12-month period begins.

**Facility Charge:** \$ 1,500.00 per month.

**Demand Charge:** \$ 16.70 per kW of billed demand.

**Energy Charge:** \$ 0.03900 per kilowatt-hour (kWh).

**Power Factor Charge:** A power factor charge may be assessed for a power factor of 95% or lower.

**Minimum Monthly Bill:** The minimum monthly bill shall be equal to the facility charge.

**Prompt Payment of Bills:** An account becomes delinquent if payment is not received by the close of business on the date specified on the electric bill. A 1.5% per month penalty will be assessed on the unpaid balance. This charge is applicable to all members. The penalty may be waived, in full or part, by the action of the Director of Accounting and Finance and CEO for good cause shown.

**Determination of Maximum Measured Demand:** The Maximum Measured Demand in any month shall be that demand in kilowatts necessary to supply the average kilowatt-hours in 15 consecutive minutes of greatest consumption of electricity during each month. Such Maximum Measured Demand shall be determined from readings of permanently installed meters or, at the option of the utility, by any standard methods or meters.

**Determination of Billed Demand:** When the Average Monthly Power Factor is equal to or greater than 95 percent, the Maximum Measured Demand shall be the Billed Demand.

When the Average Monthly Power Factor is less than 95 percent, the Maximum Measured Demand shall be adjusted to obtain the Billed Demand. The Billed Demand shall be determined each month by the following formula:

$$\text{Billed Demand} = \frac{\text{Maximum Demand} \times 95\%}{\text{Average Monthly Power Factor}}$$

The Average Monthly Power Factor is obtained by the following formula, where A = monthly use of kilowatt-hours and B = monthly use of lagging reactive kilovolt-ampere-hours as obtained from a reactive component meter. Any reactive component meter used shall be equipped with ratchets to prevent registration of leading Power Factor.

$$\text{Average Monthly Power Factor} = \frac{A}{\sqrt{A^2 + B^2}}$$

Prior effective dates: 202502, 202405, 202006, 201905, 201706, 201704, 201604, 201301, 201110, 201005

## Industrial Power – Effective February 1, 2026

**Application:** This rate will be applied to services if their monthly Maximum Measured Demand is equal to or greater than 1000 kilowatts (kW) but not greater than 5000 kW per month.

**Rate Transition:** A service in IP-1 rate class shall be transitioned into the appropriate rate class if the Maximum Measured demand falls below 1000 kW for 12 consecutive months or exceeds 5000 kW for three or more months in a consecutive 12-month period. Consecutive months are broken upon a service transfer or member account change, therefore, the date a service transfers shall be the basis of when the 12-month period begins.

**Facility Charge:** \$6,000.00 per month.

**Demand Charge:** \$17.80 per kW of billed demand.

**Energy Charge:** \$0.03800 per kilowatt-hour (kWh).

**Power Factor Charge:** When the power factor is less than 95 percent the Maximum Measured Demand shall be adjusted as stated in the Determination of Billed Demand stated below.

**Minimum Monthly Bill:** The minimum monthly bill shall be equal to the facility charge.

**Prompt Payment of Bills:** An account becomes delinquent if payment is not received by the close of business on the date specified on the electric bill. A 1.5% per month penalty will be assessed on the unpaid balance. This charge is applicable to all members. The penalty may be waived, in full or part, by the action of the Director of Accounting and Finance and CEO for good cause shown.

**Determination of Maximum Measured Demand:** The Maximum Measured Demand in any month shall be that demand in kilowatts necessary to supply the average kilowatt-hours in 15 consecutive minutes of greatest consumption of electricity during each month. Such Maximum Measured Demand shall be determined from readings of permanently installed meters or, at the option of the utility, by any standard methods or meters.

**Determination of Billed Demand:** When the Average Monthly Power Factor is equal to or greater than 95 percent, the Maximum Measured Demand shall be the Billed Demand.

When the Average Monthly Power Factor is less than 95 percent, the Maximum Measured Demand shall be adjusted to obtain the Billed Demand. The Billed Demand shall be determined each month by the following formula:

$$\text{Billed Demand} = \frac{\text{Maximum Demand} \times 95\%}{\text{Average Monthly Power Factor}}$$

The Average Monthly Power Factor is obtained by the following formula, where A = monthly use of kilowatt-hours and B = monthly use of lagging reactive kilovolt-ampere-hours as obtained from a reactive component meter. Any reactive component meter used shall be equipped with ratchets to prevent registration of leading Power Factor.

$$\text{Average Monthly Power Factor} = \frac{A}{\sqrt{A^2 + B^2}}$$

Prior effective dates: 202502, 202405, 202105, 202006, 201905, 201706, 201704, 201604, 201301, 201110, 201005

## Large Industrial Power – Effective February 1, 2026

**Application:** This rate will be applied to members if their monthly Maximum Measured Demand is equal to or greater than 5000 kilowatts (kW) per month.

**Rate Transition:** A service in the IP-3 rate shall be transitioned into the appropriate rate class if the Maximum Measured demand for the service falls below 5000 kW for 12 consecutive months. Consecutive months are broken upon a service transfer or member account change, therefore, the date a service transfers shall be the basis of when the 12-month period begins.

**Facility Charge:** \$13,250 per month.

**Demand Charge:** \$19.60 per kW of billed demand.

**Energy Charge:** \$0.03550 per kilowatt-hour (kWh).

**Power Factor Charge:** When the power factor is less than 95 percent the Maximum Measured Demand shall be adjusted as stated in the Determination of Billed Demand below.

**Minimum Monthly Bill:** The minimum monthly bill shall be equal to the facility charge.

**Prompt Payment of Bills:** An account becomes delinquent if payment is not received by the close of business on the date specified on the electric bill. A 1.5% per month penalty will be assessed on the unpaid balance. This charge is applicable to all members. The penalty may be waived, in full or part, by the action of the Director of Accounting and Finance and CEO for good cause shown.

**Determination of Maximum Measured Demand:** The Maximum Measured Demand in any month shall be that demand in kilowatts necessary to supply the average kilowatt-hours in 15 consecutive minutes of greatest consumption of electricity during each month. Such Maximum Measured Demand shall be determined from readings of permanently installed meters or, at the option of the utility, by any standard methods or meters.

**Determination of Billed Demand:** When the Average Monthly Power Factor is equal to or greater than 95 percent, the Maximum Measured Demand shall be the Billed Demand.

When the Average Monthly Power Factor is less than 95 percent, the Maximum Measured Demand shall be adjusted to obtain the Billed Demand. The Billed Demand shall be determined each month by the following formula:

$$\text{Billed Demand} = \frac{\text{Maximum Demand} \times 95\%}{\text{Average Monthly Power Factor}}$$

The Average Monthly Power Factor is obtained by the following formula, where A = monthly use of kilowatt-hours and B = monthly use of lagging reactive kilovolt-ampere-hours as obtained from a reactive component meter. Any reactive component meter used shall be equipped with ratchets to prevent registration of leading Power Factor.

$$\text{Average Monthly Power Factor} = \frac{A}{\sqrt{A^2 + B^2}}$$

Prior effective dates: 202502, 202405, 202105, 202006, 201905, 201706, 201704, 201604, 201301

## Large Industrial Power – Effective January 1, 2026

**Application:** This rate will be applied to members receiving service at transmission voltage through a dedicated substation transformer, regardless of Maximum Measured Demand. This rate is based on the wholesale power cost from Basin Electric Power Cooperative. Any change in Basin’s Class A rate will automatically cause a change to this rate. Notification of a pending Basin rate change will be communicated to members in this rate class. Coincident demand shall be the date and time utilized by McKenzie Electric Cooperative’s (MEC) wholesale power suppliers in the determination of MEC’s demand.

**Facility Charge:** \$21,000.00 per month.

**Demand Charge:** \$23.25 per kW of billed coincident peak demand.

**Energy Charge:** \$.003580 per kilowatt-hour (kWh).

**Power Factor Charge:** When the power factor is less than 95 percent the Maximum Measured Demand shall be adjusted as stated in the Determination of Billed Demand stated below.

**Minimum Monthly Bill:** The minimum monthly bill shall be equal to the facility charge.

**Prompt Payment of Bills:** An account becomes delinquent if payment is not received by the close of business on the date specified on the electric bill. A 1.5% per month penalty will be assessed on the unpaid balance. This charge is applicable to all members. The penalty may be waived, in full or part, by the action of the Director of Accounting and Finance and CEO for good cause shown.

**Determination of Maximum Measured Demand:** The Maximum Measured Demand in any month shall be that demand in kilowatts necessary to supply the average kilowatt-hours in 30 consecutive minutes of greatest consumption of electricity during each month. Such Maximum Measured Demand shall be determined from readings of permanently installed meters or, at the option of the utility, by any standard methods or meters.

**Determination of Billed Demand:** When the Average Monthly Power Factor is equal to or greater than 95 percent, the Maximum Measured Demand shall be the Billed Demand. When the Average Monthly Power Factor is less than 95 percent, the Maximum Measured Demand shall be adjusted to obtain the Billed Demand. The Billed Demand shall be determined each month by the following formula:

$$\text{Billed Demand} = \frac{\text{Maximum Demand} \times 95\%}{\text{Average Monthly Power Factor}}$$

The Average Monthly Power Factor is obtained by the following formula, where A = monthly use of kilowatt-hours and B = monthly use of lagging reactive kilovolt-ampere-hours as obtained from a reactive component meter. Any reactive component meter used shall be equipped with ratchets to prevent registration of leading Power Factor.

$$\text{Average Monthly Power Factor} = \frac{A}{\sqrt{A^2 + B^2}}$$

Prior effective dates: 202502, 202405, 202401, 202301, 202105, 202006, 202005, 201802, 201708, 201704, 201701, 201608, 201604, 201301, 201110, 201005

## Area Lighting – Effective May 1, 2024

**Application:** This rate will be applied to area lighting. McKenzie Electric Cooperative, Inc. will furnish, install, and maintain lighting units.

**Lighting Unit Charge:**

Unmetered: \$6.00 per lamp per month

Metered: \$2.20 per lamp per month

**Prompt Payment of Bills:** An account becomes delinquent if payment is not received by the close of business on the date specified on the electric bill. A 1.5% per month penalty will be assessed on the unpaid balance. This charge is applicable to all members. The penalty may be waived, in full or part, by the action of the Director of Accounting and Finance and CEO for good cause shown.

**Condition of Service:** All units shall be high pressure sodium or light emitting diode (LED) and electric eye controlled.

## Small Renewable Energy Purchase – Effective May 1, 2024

**Application:** This rate is available to members that meet the following eligibility criteria.

### **Eligibility Criteria:**

- 1) The generation must be located on the member's location and within McKenzie Electric Cooperative Inc.'s (MEC) service area.
- 2) Generation name plate capacity greater than 50kW will follow the Basin Electric Power Cooperative Schedule A rates at the appropriate level. Less than 50kW will be governed by MEC.
- 3) The Energy Service and Energy Purchase Agreement and the Interconnection Agreement must be properly executed.
- 4) MEC may purchase only renewable energy that is qualifying and delivered to the electric grid. Energy generated and used on the member's site shall be excluded from this rate.

### **Payment Rate:**

- 1) The rate shall be in accordance with the current Basin Electric Power Cooperative rate.
- 2) Payment for Renewable Energy purchased may be in the form of a credit on the member's monthly power bill or by check.
- 3) The credit to the member associated with Renewable Energy purchased under this rate shall not be considered in determining the member patronage allocation from MEC at the end of each year.

### **Metering:**

- 1) The member is responsible for all metering costs.
- 2) In the event of a metering equipment malfunction, McKenzie Electric shall treat the generating facility as if no member-owned Renewable Energy was provided to the electrical grid during the period of equipment malfunction or failure.
- 3) Meters will be read by MEC personnel.

**Contribution in Aid of Construction:** All required contributions shall be paid in advance of construction by the member.

## Other Charge and Billing Provisions

**Billing Effective Date:** New services shall become billable and placed in the appropriate rate class at the time of initial energization.

**Connecting Rate:** Rate classification for a new service will be determined by the size and type of service installed. For purposes of this provision, kVA is considered equal to kW. Example: A new three-phase service with a 200 kVA transformer would be placed in the CP-1 rate class.

**Budget Payment Plan:** A budget payment plan is available from McKenzie Electric Cooperative, Inc. (MEC). MEC has two types of budget plans: fixed or levelized. For the fixed budget plan, McKenzie Electric will calculate the monthly budgeted amount by spreading the estimated annual bill over eleven months, with the last month consisting of any end of year adjustments. For the levelized plan, the member's budget amount is calculated by averaging the last 12 months' usage. For the levelized plan, the member's budget amount may vary each month.

**Disconnection Billing:** All members, whose service is disconnected in accordance with the disconnection rules as outlined in Policy 121, shall be charged and required to pay a disconnection fee.

**Returned Payment Charge:** A \$25.00 charge from MEC, plus any additional fees charged to the Cooperative by the financial institution involved, will be applied to the member's account when funds rendered for payment to MEC are returned.

**Inactive Services:** De-energized services that members desire to retain (i.e. line retention), will be assessed the corresponding facility charge for the associated rate class. The member must notify MEC to request re-energization.

**Idle Service:** Services that are not paying a minimum facility charge may be subject to removal.