



McLean Electric Cooperative (MEC)

Rate Increase Fact Sheet

Effective January 1, 2026

Why Rates Are Changing

MEC has been reviewing the rate structure for several years and has concluded the necessity for a rate structure change. The purpose is to ensure our rates are fair and equitable throughout all our rate classes. Once a cost-of-service study was completed, the new rate design was approved by the board of directors.

In addition, due to inflation and a significant increase in wholesale power costs from Central Power Electric Cooperative (CPEC), MEC must adjust its rates. These changes will be reflected on your February 2026 billing statement for usage in January.

What's Changing

- **Monthly Base Charge:** A flat monthly fee that helps cover MEC's fixed costs—such as system maintenance, outage response, and other services provided, regardless of how much electricity you use.
- **Kilowatt-Hour (kWh) Usage Rate:** The cost of electricity a member consumed during a billing period, calculated by multiplying total usage in kilowatt-hours by the rate per kWh. This charge recovers the costs of purchasing and delivering electricity. For example, using a 1,000-watt (1 KW) appliance for one hour consumes one kWh, and this usage is billed to the member.
- **Non-Coincidental Demand Charge:** A fee used to recover costs for the power supply infrastructure by billing a member based on their individual highest rate of electricity usage, regardless of when it occurs in the billing period based on the highest 30-minute usage interval during your billing period.
- **Coincidental Demand Charge:** A fee charged by an electric cooperative to a member based on the member's highest electricity use (KW) during a specific time when the entire cooperative's grid is experiencing its highest demand.



Frequently Asked Questions

Q: Why is MEC raising rates now?

A: Inflation has driven up wholesale power costs. MEC is passing these costs directly from its provider.

Q: What is a “pass-through” cost?

A: It means MEC is not profiting from the increase—members pay exactly what MEC pays to CPEC.

Q: How will this affect my bill?

A: It depends on your account type and electricity usage. A letter explaining the increase and rate structure was sent to all members in November. You can contact MEC for an analysis of your account.

Q: What’s the difference between coincidental and non-coincidental usage?

A: **Non-Coincidental:** Your highest usage in any 30-minute window during the billing cycle.

Coincidental: Your usage during MEC’s system-wide peak demand during the billing cycle.


Q: Can I reduce my bill?

A: Yes. Your total bill can be reduced by reducing usage during peak times, depending on the rate class.

Q: Is this increase due to new infrastructure or growth?

A: No. The increase is primarily due to inflation—not new facilities or demand spikes.

Need Help or More Info?

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