



**Blue Ridge Mountain EMC
Announces TVA Wholesale Rate Increase**

September 28, 2017

Blue Ridge Mountain EMC (BRMEMC) announces that effective October 1, 2017, TVA will be increasing its wholesale rate across all Residential and Small Commercial (GSA1) rate classes resulting in an increase of between 0.5% to 2% in each residential Member's bill and between 0.3% to 1.4% in each GSA1 Member's bill, depending upon usage. BRMEMC's Board has determined that we must pass this TVA increase through to our Members, as the EMC does not have sufficient resources to absorb yet another increase from TVA. It has been four years since BRMEMC last implemented a retail rate increase for its own benefit.

This is the third consecutive year that TVA has implemented a wholesale rate increase to its customers, each year at similar levels. TVA's has said that it requires the additional revenues to buy down long-term debt, and improve its overall financial condition. At the same time, TVA notified all of its Local Power Company Customers that they should also expect similar increases for at least 2-3 additional years.

BRMEMC has elected to add this year's increase to the fixed-cost portion of Members' electric bills. What this means for our residential Members is that the Customer Charge will increase from \$19.73 per month to \$21.13 per month.

BRMEMC General Manager, Jeremy Nelms, commented that, "TVA's wholesale power cost makes up roughly 67% of each BRMEMC customer's monthly electric bill, so when these costs rise we have no choice but to pass them on to our Members. I fully recognize that increases are never welcomed, nor appreciated by our Members, but are working hard to keep our own costs low so that our Members are able to purchase their electricity at the lowest possible rate. We are committed to continuing these efforts, and hope our Members recognize our commitment."

BRMEMC will continue to advocate with TVA the need to limit additional annual rate increases, and we will continue to monitor this situation closely on behalf of our Members. Please contact the BRMEMC office at (800) 292-6456 with any questions or concerns.

Following are examples of how the TVA increase will affect our residential members, beginning with the October 2017 bill:

RESIDENTIAL		
Monthly kwh Usage	Fixed Cost Increase Due to TVA Wholesale Increase	Combined Rate Increase Effect
500	\$1.40	2.0%
897	\$1.40	1.2%
2,500	\$1.40	0.5%
GENERAL POWER 1 (SMALL COMMERCIAL)		
Monthly GSA 1kwh Usage	Fixed Cost Increase Due to TVA Wholesale Increase	Combined Rate Increase Effect
500	\$1.13	1.4%
897	\$1.13	1.1%
2,500	\$1.13	0.3%