

	Stearns Electric	MN Power	Xcel Energy ¹	Electric Co-op A	Electric Co-op B	Electric Co-op C
Fixed Charge	\$39.25	\$9.00	\$6.43	\$55.00	\$38.00	\$46.00
Energy (1,000 kWh)	\$133.52	\$107.72	\$127.84	\$117.00	\$120.47	\$120.00
Other Charges	--	\$45.78	\$38.78	--	\$7.18	\$14.00
Total	\$172.77	\$162.50	\$173.05	\$172.00	\$165.65	\$180.00

The table reflects Stearns Electric's best interpretation of currently published rates and charges for each utility, taxes and local fees not included.

¹Incorporates interim rate increases; full rate increases are under consideration by the Public Utilities Commission (PUC).

HOW WILL ANNUAL RATE ADJUSTMENTS BENEFIT ME?

By moving to smaller annual rate adjustments instead of larger increases every few years, we can better match rates to actual costs and only collect annual revenue that is required to provide safe and reliable service.

In the past, waiting several years between rate adjustments sometimes resulted in larger, double digit increases all at once. Annual adjustments allow for smaller, more predictable changes each year – similar to cost of living adjustments – which can be easier for members to plan for and manage.

Based on our most recent Cost-of-Service study, smaller annual adjustments are expected over the next few years as costs continue to rise. The overall 2026 adjustment is set at 3.3% and will affect members differently based on usage and rate plans. We are currently forecasting adjustments of 3.3% for 2027 and 2.4% for 2028.

Stearns Electric will continue managing the costs we can control and working in members' best interests to keep bills as low as possible while still providing the safe, reliable electricity you depend on.

FOR MORE INFORMATION:

Visit stearnselectric.org/rate-adjustment-2026 or call (800) 962-0655.



member driven.
community focused.
energy smart.

MEMBER NOTICE: 2026 RATE ADJUSTMENT

Electric cooperatives like Stearns Electric Association are not-for-profit, meaning we work toward a zero-based budget by the end of each year. However, projections for 2026-2030 indicate that Stearns Electric needs an increase in revenue to continue providing our members with the reliable electricity you depend on.

The new rates were determined after a recent Cost-of-Service study, conducted for Stearns Electric Association by an independent consulting firm. In March 2026, the Stearns Electric Board of Directors approved a Cooperative overall revenue increase of 3.3% effective May 1, 2026. Additionally, Stearns Electric will move to an annual rate adjustment approach beginning in 2026.

FREQUENTLY ASKED QUESTIONS

STEARNS ELECTRIC ASSOCIATION

2026 RATE ADJUSTMENT

WHY IS A RATE INCREASE NECESSARY?

Electric cooperatives like Stearns Electric are not-for-profit, meaning we work toward a zero-based budget by the end of each year.

Stearns Electric is facing sustained cost pressures that are largely outside the Cooperative's control. Wholesale power – our single largest expense – continues to increase as Great River Energy invests in transmission infrastructure needed to maintain long term reliability. At the same time, inflation is driving up the cost of equipment, materials, trucks, tools and personnel costs, while energy sales growth has not kept pace with those rising costs.

Even with aggressive cost saving measures and operational efficiencies, these combined pressures mean a rate adjustment is necessary to keep the Cooperative financially stable and able to provide safe, reliable service.

IS THE NEW FACILITY A DRIVING FACTOR?

Stearns Electric's new Operations Center and Headquarters is not a primary factor of the 2026 rate adjustment. In 2023, the Cooperative added \$3 to the monthly Fixed Charge specifically to cover most of the construction cost. The 2023 adjustment was intended to pay for the new facility and covered a majority of those expenses. The new Operations Center and Headquarters was planned many years in advance, and despite rising costs, it was completed more than one million dollars under budget.

WHEN WILL THE RATE ADJUSTMENT TAKE EFFECT?

The rate adjustment will take effect on May 1, 2026. Members will see the adjustment on their bill for May usage, which they receive in June.

WHAT DOES THE CHANGE IN RATES LOOK LIKE?

The chart reflects the change in rates effective May 1, 2026 for our most common rate classes. Additional rate class adjustments can be reviewed on our website at stearnselectric.org/rate-adjustment-2026.

GENERAL SINGLE PHASE	EXISTING RATE	NEW RATE
Fixed Charge	\$34.25 per month	\$39.25 per month
Energy (June – August)	\$0.13220 per kWh	\$0.14959 per kWh
Energy (Other Months)	\$0.11720 per kWh	\$0.12816 per kWh
Base PCA	\$0.01050 per kWh	-----
ENERGYWISE®	EXISTING RATE	NEW RATE
EnergyWise® Rate (June – August)	\$0.08300 per kWh	\$0.09350 per kWh
EnergyWise® Rate (Other Months)	\$0.06300 per kWh	\$0.07350 per kWh
Base PCA	\$0.01050 per kWh	-----

HOW WILL THE NEW RATES IMPACT MY BILL?

The average Stearns Electric residential member uses 1,000 kWh per month and can expect a net increase of approximately \$7.00 per month. If your usage is more or less than the average, your price adjustment will vary.

HOW DO STEARNS ELECTRIC'S RATES COMPARE WITH OTHER UTILITIES?

Stearns Electric rates are fair and competitive. See reverse side for a comparison of Stearns Electric rates to other electric utility providers in Minnesota.

