

Village of Paw Paw

Larry Nielsen, Village Manager
111 East Michigan Avenue, PO Box 179; Paw Paw, MI 49079
Phone: 269-657-3148 // Fax: 269-657-7544
Website: <http://www.pawpaw.net> // Email: l.nielsen@pawpaw.net

“Notes From Larry”

FROM: Larry Nielsen, Village Manager

Date: February 1, 2008

Talk about snow and cold... It is the kind of weather that can really drive heating bills through the roof. It is also the kind of weather that makes for dangerous road conditions. So, be warm and be careful.

Electric Bills: Gee whiz, have you seen the fluctuating Purchased Power Adjustment rate on your electric bills? This is a cost calculated by I&M/AEP and billed to the Village of Paw Paw to pass on to all electric customers. In the last few months that Purchased Power Adjustment (PPA) rate has had some wide fluctuations. So much so, that customers who may have used less electricity in one month may have a higher electric bill than a month in which they used more electricity. Watch this on your bills. You can find the Purchased Power Adjust cost on your bill rather easily. The billed amount can be determined by looking at the number below the KW Demand (in the darker green band) to see how much electricity you used. Then find the Purchased Power Adjustment per Kilo Watt Hour line in the explanation portion of the bill to see that longer decimal number. Multiply the decimal number by the KW demand number and you should get the dollar amount reported for Purchased Power Adjustment cost that is added to your bill. I looked at bills for October, November, December and January and found the PPA jumped around quite a bit. It was not uncommon for the customer to use the same amount of electricity from month to month but have bills higher or lower from each other.

By the number of calls we get I know this is really frustrating for the customer. But, it is out of the Village's control. It is a number the company that provides us power controls and passes on to us to pass on to you.