

Public Power Costs Less

Across the country, publicly owned electric utilities continue to provide customers with low-cost energy for homes and businesses. The chart below compares the national average residential, commercial and industrial revenue per kilowatt-hour (kWh) paid by customers of publicly owned, investor-owned (IOU) and cooperative electric utilities in 2013. The tables on the following page show revenue per kilowatt-hour information by state and utility type for full service (bundled) sales, and by state for retail choice (unbundled) sales.

In years past, APPA calculated average revenue per kWh based only on bundled sales. Customers participating in retail choice plans represent a small but growing proportion of the electric utility industry, and in 2013, unbundled sales represented 15 percent of total sales to consumers. Thus, in order to present a fuller and more accurate picture of customers' rates, APPA is combining both bundled and unbundled sales in the national comparisons shown in the table below.

With unbundled sales, customers obtain their power supply from alternative suppliers, but the local utility still provides delivery service. By and large, it is customers in IOUs' service territories who are participating in retail choice plans and paying unbundled rates. In 2013, IOUs

provided delivery service for more than 99 percent of unbundled sales. Thus, over 99 percent of the unbundled revenues and sales are included in the investor-owned utility average rate calculation.

Residential customers in IOU service territories paid average rates that were 14 percent above those paid by customers of publicly owned systems during 2013. Public power customers paid an average of 11.1 cents per kilowatt-hour for residential electric service, compared to 12.6 cents per kilowatt-hour paid by residential customers of IOUs, and 11.4 cents per kilowatt-hour paid by residential customers of cooperative systems.

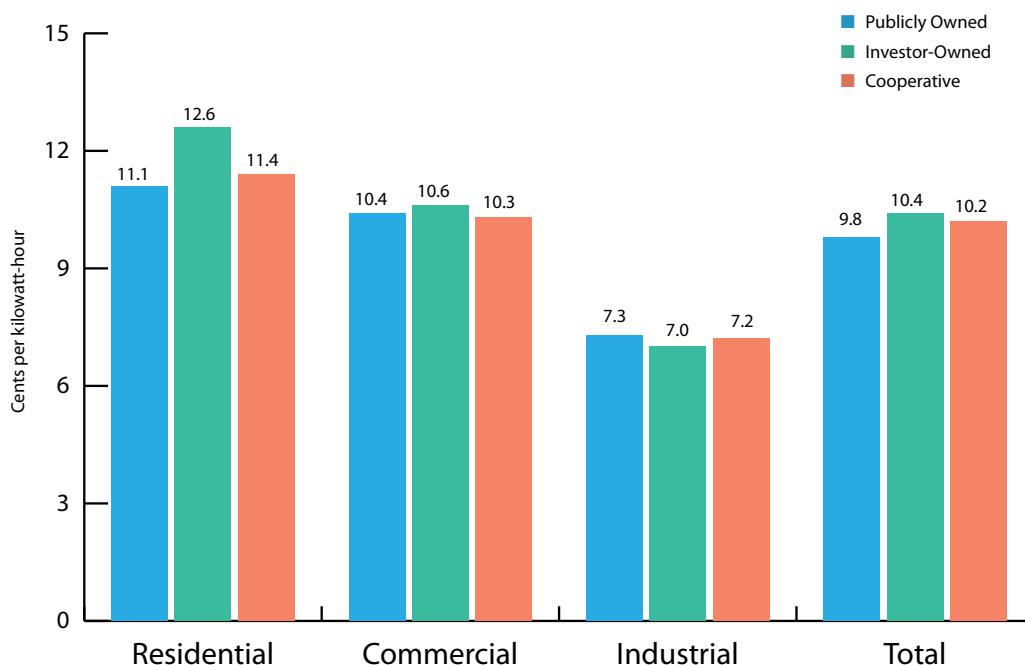
Commercial customers of IOUs paid slightly more for electricity than public power customers in 2013, while cooperative commercial customers paid slightly less. Public power commercial customers paid an average of 10.4 cents per kWh, compared to 10.6 cents per kWh paid by commercial customers of IOUs and 10.3 cents per kWh for commercial customers of cooperative utilities. Average rates for industrial customers of IOUs were less than those of public power industrial customers: 7.0 cents per kWh for customers of IOUs compared to 7.3 cents per kWh for public power utility customers. Industrial customers of cooperative

utilities paid average rates of 7.2 cents per kWh. However, industrial customers vary greatly in size, and on average IOUs serve larger industrial customers than do public power systems. The average IOU industrial customer purchased 1,671 megawatt-hours (MWh) in 2013 whereas the average public power industrial customer purchased 1,050 MWhs. The difference in customer-size may account for the lower industrial price for investor-owned systems.

The state by state table on the following page shows bundled sales for each utility type. The unbundled rate table shows average unbundled revenue per kWh by state. As noted, for the most part, it is IOU customers who are paying unbundled rates.

The 2013 averages presented here are based on the Department of Energy, Energy Information Administration's data from Form EIA-861, "Annual Electric Utility Report." Most utilities with under 100,000 MWh in total sales report sales and revenue information on Form EIA-861S. Though total revenue and sales data are available, individual sector data for these utilities are not. As such, these utilities, which represent approximately one percent of total customer load in the United States, were not included in these calculations. ■

Average Retail Electric Rates by Customer Class, 2013



Utility Sector Rate Comparison by State, 2013

(cents per kilowatt-hour)

Table reflects full-service (bundled) sales only.

	Residential			Commercial			Industrial			Total		
	Public	Private	Co-op	Public	Private	Co-op	Public	Private	Co-op	Public	Private	Co-op
Alabama.....	9.7	11.6	11.9	9.7	10.7	11.4	6.7	6.0	7.1	9.1	9.0	11.0
Alaska.....	13.4	17.7	18.4	11.7	19.9	16.4	19.3	9.7	15.8	13.6	23.4	17.7
Arizona.....	11.2	12.0	13.0	9.1	10.9	11.1	6.2	6.9	9.5	10.6	12.0	13.6
Arkansas.....	8.7	9.4	10.1	8.2	7.7	9.4	6.7	6.2	5.4	7.9	7.8	8.2
California.....	14.1	16.8	14.9	13.8	15.4	12.1	11.5	11.7	11.3	13.3	15.5	12.9
Colorado.....	10.3	11.9	12.7	7.8	10.0	10.9	6.7	6.8	8.6	8.5	9.9	10.9
Connecticut.....	14.8	16.8		12.9	14.3		9.8	12.3		12.4	16.1	
Delaware.....	14.0	13.4	11.1	12.9	12.1	10.3	10.2	10.9		12.0	13.1	11.0
District of Columbia.....	12.5				12.4						12.5	
Florida.....	11.7	11.1	12.3	10.9	9.0	11.0	6.8	7.8	8.7	10.7	10.0	11.6
Georgia.....	11.0	12.0	10.9	10.4	9.7	10.7	6.4	6.0	7.3	9.5	9.4	10.4
Hawaii.....	36.5	44.3			33.7	44.1		40.3	29.4		32.8	42.8
Idaho.....	6.8	9.6	8.9	5.9	7.5	7.2	4.7	6.3	4.2	6.2	7.7	7.0
Illinois.....	11.1	10.4	13.4	11.2	8.4	11.2	8.1	4.8	8.5	10.4	9.1	11.9
Indiana.....	9.6	10.7	12.3	8.9	9.6	10.4	7.6	6.6	7.0	8.5	8.5	10.5
Iowa.....	10.1	10.9	12.0	8.4	8.3	9.1	6.6	5.3	7.2	8.2	7.7	10.0
Kansas.....	11.1	11.3	13.4	9.8	9.2	11.6	6.8	7.0	9.0	8.7	9.6	11.2
Kentucky.....	9.7	9.2	10.5	9.5	8.1	10.1	6.9	5.9	5.4	8.7	7.8	8.0
Louisiana.....	8.2	9.8	8.4	8.1	9.1	8.3	6.9	5.9	7.1	8.1	8.0	8.2
Maine.....	11.5	14.3	30.7	10.5	11.0	25.2	9.9			10.8	15.6	28.9
Maryland.....	8.9	13.2	13.7	9.4	11.9	11.2	7.3	9.0	9.3	8.9	12.8	12.7
Massachusetts.....	13.3	16.1		13.9	15.1		11.8	14.4		12.8	15.7	
Michigan.....	12.1	14.8	14.2	10.8	11.6	10.6	8.5	8.1	8.4	10.4	11.8	12.2
Minnesota.....	10.9	12.0	11.8	9.8	9.4	9.5	8.0	6.6	8.0	9.3	9.1	10.7
Mississippi.....	9.9	10.3	11.2	10.0	9.6	11.1	6.9	6.8	7.8	9.3	9.0	10.5
Missouri.....	10.0	10.8	10.3	8.8	8.7	9.6	7.5	6.1	6.3	8.9	9.0	9.4
Montana.....	11.0	9.9			10.4	8.4		7.1	7.3	11.7	10.3	8.9
Nebraska.....	10.3		11.7	8.7		10.1	7.2		12.0	8.7		11.7
Nevada.....	9.9	12.0	10.7	6.8	9.5	8.5	3.2	7.3	4.8	5.4	9.7	6.7
New Hampshire.....	16.5	16.8	17.3	16.7	16.3	15.7	17.0	21.5	11.2	16.7	16.8	16.6
New Jersey.....	15.8	15.6	13.0	14.1	13.4	11.9	11.1	7.5	9.6	14.0	14.7	12.7
New Mexico.....	9.0	11.5	13.1	9.2	9.8	10.4	6.6	5.5	7.5	8.1	9.3	9.6
New York.....	19.1	18.6	12.6	17.7	17.2	9.1	4.2	8.6		17.7	17.3	11.8
North Carolina.....	12.5	10.4	12.0	10.7	8.3	10.3	7.7	6.2	6.8	10.8	8.6	11.3
North Dakota.....	6.5	8.7	9.5	6.6	7.9	9.7	7.5	6.7	7.2	6.6	8.1	8.4
Ohio.....	10.9	12.6	12.7	10.9	11.7	11.8	8.5	5.6	8.1	9.8	10.8	11.5
Oklahoma.....	10.2	9.2	10.7	9.0	7.2	10.1	6.3	5.1	6.2	8.4	7.4	9.2
Oregon.....	8.0	10.6	8.7	7.4	8.7	7.2	4.5	6.6	5.5	6.5	9.1	7.4
Pennsylvania.....	13.8	12.6	12.4	12.7	10.8	11.0	9.5	7.6	8.4	12.2	12.0	11.7
Rhode Island.....	12.3	15.2		14.5	13.3		11.2	12.6		12.0	14.4	
South Carolina.....	10.7	11.9	12.7	9.5	9.7	11.8	5.4	6.0	7.7	7.5	9.1	11.5
South Dakota.....	9.0	10.2	10.6	8.1	8.9	9.1	6.7	6.3	7.6	8.0	8.9	9.4
Tennessee.....	9.9	8.6	10.2	9.9	8.6	10.6	6.8	6.0	6.7	9.3	7.4	9.9
Texas.....	10.2	9.8	10.8	8.7	7.9	9.6	6.8	5.1	7.7	9.1	7.4	9.8
Utah.....	9.4	10.9	7.2	8.7	8.4	7.1	7.1	5.8	6.1	8.6	8.1	7.0
Vermont.....	15.5	17.1	18.9	14.7	14.5	16.1	13.2	10.5	10.4	14.7	14.4	16.5
Virginia.....	10.6	10.7	11.4	9.7	7.8	10.1	7.5	6.4	6.9	9.4	8.8	10.0
Washington.....	7.8	9.9	7.9	6.8	9.3	6.5	4.5	7.3	5.9	6.5	9.3	7.2
West Virginia.....	9.5	17.2			8.1	16.6		6.2	17.1		7.9	17.1
Wisconsin.....	11.4	13.8	13.6	10.3	10.8	10.6	7.6	7.4	7.0	9.3	10.6	12.1
Wyoming.....	9.6	10.9	8.8	8.0	9.0	8.0	7.6	6.2	6.9	8.6	7.5	7.6

Source: Department of Energy, Energy Information Administration, Form EIA-861, 2013.

Note: Residential, Commercial, and Industrial rates do not include utilities that filed a Form EIA-861S. Total rates include all utilities.

Average Retail Choice (Unbundled) Rates by State, 2013

(cents per kilowatt-hour)

Note: Over 99% of all retail choice sales are to investor-owned utility customers.

	Residential	Commercial	Industrial	Total
California	18.3	11.8.....	9.6.....	11.0
Connecticut.....	18.7	14.8.....	13.3.....	15.8
Delaware	13.3	9.0.....	7.6.....	8.7
District of Columbia	12.7	11.9.....	5.5.....	11.6
Illinois.....	10.3	8.6.....	6.9.....	8.3
Maine.....	14.4	11.7.....	8.3.....	11.8
Maryland.....	13.5	10.4.....	8.3.....	10.7
Massachusetts	16.9	13.9.....	13.3.....	14.0
Michigan	14.8	7.5.....	5.9.....	6.6
Montana	-	5.9.....	4.3.....	4.3
Nevada.....	-	6.5.....	3.8.....	4.9
New Hampshire	13.8	11.7.....	10.0.....	11.5
New Jersey	16.3	12.5.....	11.2.....	12.8
New York	20.1	14.4.....	6.5.....	13.6
Ohio.....	11.4	8.7.....	6.0.....	8.3
Oregon	-	7.8.....	6.1.....	6.7
Pennsylvania.....	13.0	8.8.....	6.9.....	8.8
Rhode Island.....	16.3	12.5.....	11.6.....	12.4
Washington	-	4.7.....	4.5.....	4.5

Source: Department of Energy, Energy Information Administration, Form EIA-861, 2013.