

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 2011. 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 2011, unbundled sales represented 12.4 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 2011, 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.

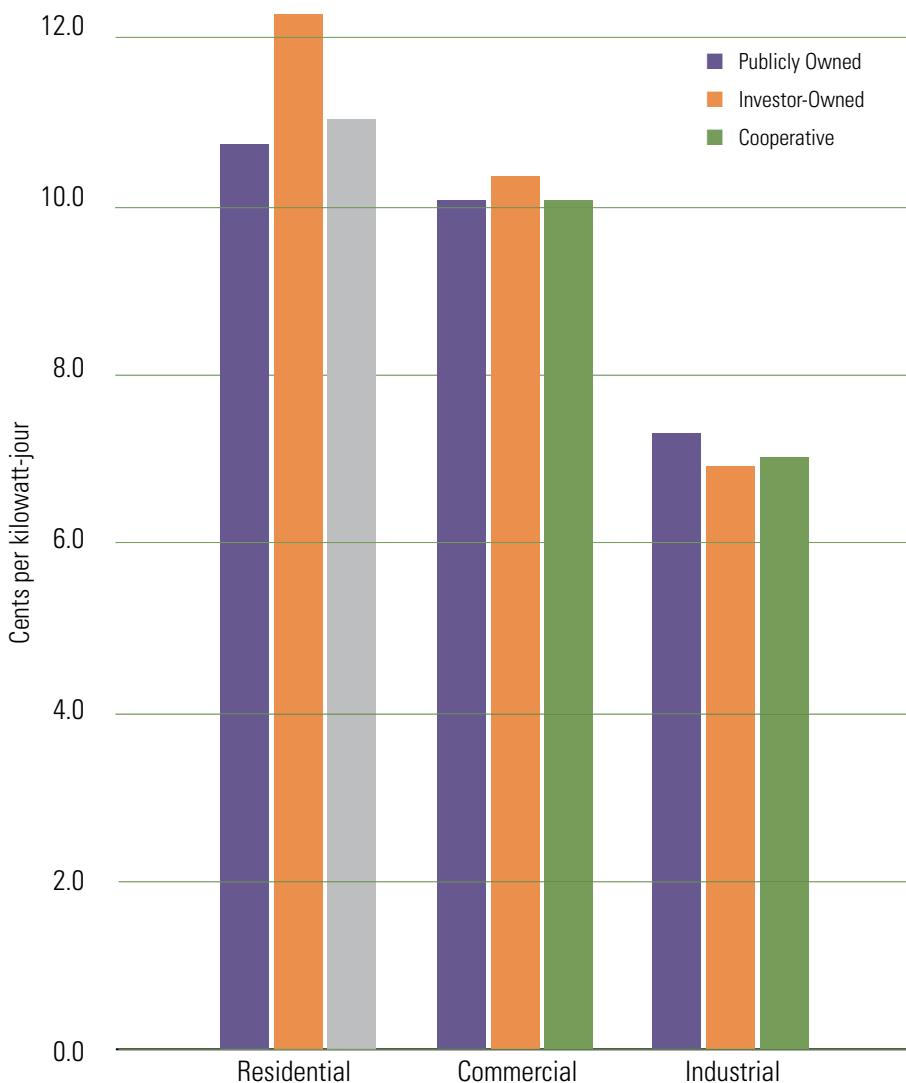
Residential customers in IOU service territories paid average rates that were 14 percent above those paid by customers of publicly owned systems during 2011. Public power customers paid an average of 10.7 cents per kilowatt-hour for residential electric service, compared to 12.2 cents per kilowatt-hour paid by residential customers of IOUs, and 10.9 cents per kilowatt-hour paid by residential customers of cooperative systems.

Commercial customers of IOUs paid 3 percent more for electricity than public power customers in 2011. Public power commercial customers paid an average of 10.1 cents per kWh, compared to 10.4 cents per kWh paid by commercial customers of IOUs and 10.1 cents per kWh paid by commercial customers of cooperative utilities. Average rates for industrial customers of IOUs were less than those of public power industrial customers: 6.9 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 7.0 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 1,703 megawatt-hours (MWh) in 2011 whereas the average public power industrial customer purchased 987 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 2011 averages presented here are based on the Department of Energy, Energy Information Administration's data from Form EIA-861, "Annual Electric Utility Report." Data were reported by 2,006 publicly owned electric utilities, 193 investor-owned utilities and 873 cooperative systems operating in the 50 states and District of Columbia. ■

Retail Electric Rates, 2011



Utility Sector Rate Comparison by State, 2011

(cents per kilowatt-hour)

Table reflects full-service (bundled) sales only

State	Residential			Commercial			Industrial			Total		
	Public	Private	Co-op	Public	Private	Co-op	Public	Private	Co-op	Public	Private	Co-op
Alabama	9.5	11.5	11.7	9.8	10.6	11.4	7.7	6.0	8.2	9.2	9.1	11.0
Alaska	14.5	18.4	18.2	12.0	20.9	16.7	18.0	9.5	16.0	13.0	18.0	17.1
Arizona	10.8	11.2	12.9	8.9	10.2	10.9	6.1	6.7	8.5	9.3	10.0	11.7
Arkansas	8.5	8.9	9.4	7.9	7.2	8.8	6.3	5.8	5.0	7.5	7.3	7.7
California	13.3	15.2	14.8	12.8	13.6	14.6	11.1	9.6	11.2	12.5	13.7	13.2
Colorado	9.9	11.4	11.9	7.9	9.6	10.4	6.8	6.7	7.6	8.2	9.5	9.9
Connecticut	15.8	18.1		14.0	15.9		9.9	12.8		13.2	17.4	
Delaware	15.1	14.4	11.1	14.4	12.2	10.2	12.2	6.3		13.7	13.2	11.0
District of Columbia	13.4				14.4						13.8	
Florida	12.4	11.3	12.0	11.3	9.5	10.9	8.7	8.4	8.9	11.4	10.4	11.5
Georgia	9.9	11.9	10.3	9.3	9.9	10.2	6.2	6.6	6.9	8.7	9.6	9.9
Hawaii	34.2				32.0			27.9			31.1	
Idaho	6.3	7.9	8.4	5.8	6.4	7.3	4.8	5.2	4.2	5.9	6.4	6.9
Illinois	10.3	11.8	12.5	10.2	9.8	10.5	7.5	4.8	7.8	9.6	10.9	11.0
Indiana	9.3	9.7	11.6	8.8	8.7	9.9	7.2	6.1	7.0	8.2	7.7	10.0
Iowa	9.8	10.3	11.5	8.3	7.7	8.5	6.6	4.9	6.5	8.2	7.1	9.4
Kansas	10.7	10.2	12.6	9.4	8.3	10.4	6.3	6.3	8.4	8.5	8.6	10.6
Kentucky	9.2	8.5	10.1	9.4	8.1	9.8	7.3	5.7	5.1	8.5	7.4	7.7
Louisiana	8.2	9.3	7.9	8.1	8.5	7.8	7.6	5.6	6.5	8.1	7.6	7.7
Maine	12.6	15.9	30.5	2.1	11.6	24.7	11.8			12.3	12.6	28.8
Maryland	10.3	13.4	13.2	10.4	11.5	11.8	9.1	9.1	9.4	10.1	12.8	12.6
Massachusetts	13.7	14.6		14.1	14.8		12.1	13.3		13.2	14.6	
Michigan	11.1	13.4	13.4	9.9	10.7	10.3	8.3	7.4	7.9	9.7	10.8	11.7
Minnesota	10.5	10.9	11.2	9.6	8.3	9.0	7.6	6.1	7.5	9.1	8.1	10.2
Mississippi	10.0	9.2	11.0	10.2	8.5	11.2	8.0	6.1	8.4	9.6	8.0	10.4
Missouri	9.7	9.7	9.8	8.6	7.9	8.8	7.3	5.5	6.2	8.8	8.1	9.0
Montana	6.0	10.4	9.4	5.3	10.0	8.0	9.0	6.7	6.7	5.8	9.8	8.5
Nebraska	9.3		11.2	8.0		10.3	6.2		12.2	7.8		11.6
Nevada	9.6	11.7	10.7	6.9	9.4	9.0	2.8	7.4	4.6	5.7	9.5	6.6
New Hampshire	14.6	16.3	18.9	15.9	15.2	16.8	14.0	17.2	12.2	14.7	15.9	17.9
New Jersey	17.0	16.2	12.0	16.1	14.2	11.4	12.5	8.8	9.6	15.7	15.3	11.8
New Mexico	9.5	10.8	12.5	9.2	9.1	10.0	6.1	5.3	7.0	8.0	8.8	9.1
New York	17.6	18.3	12.1	16.8	17.3	10.3	4.3	12.2	8.9	16.3	17.6	11.7
North Carolina	12.1	9.5	11.4	10.3	7.6	9.9	7.5	5.8	6.5	10.5	7.9	10.8
North Dakota	7.6	8.2	9.0	7.3	7.3	8.8	8.4	6.1	6.2	7.6	7.5	7.6
Ohio	10.3	11.7	11.6	10.4	10.3	10.8	8.3	5.5	7.7	9.5	9.4	10.6
Oklahoma	9.5	9.2	10.2	8.2	7.2	10.1	6.1	5.2	6.1	8.1	7.4	9.1
Oregon	7.3	10.3	8.3	6.7	8.5	7.0	4.2	6.3	5.3	6.0	8.8	7.3
Pennsylvania	14.5	13.3	11.8	13.6	11.6	10.5	11.0	9.1	8.0	13.3	12.5	11.2
Rhode Island	14.7	14.3		16.2	12.6		13.2	11.7		14.2	13.6	
South Carolina	10.1	10.8	11.8	9.1	9.1	11.1	5.8	5.7	7.4	7.6	8.5	10.8
South Dakota	8.7	9.3	9.6	8.3	8.0	8.2	6.4	5.7	6.6	7.7	8.1	8.5
Tennessee	9.9	8.1	10.2	10.2	8.2	10.9	7.8	5.5	8.3	9.5	6.9	10.1
Texas	9.7	9.6	10.7	8.5	7.9	9.6	6.5	5.2	7.9	8.7	7.3	9.9
Utah	9.1	9.1	6.8	8.4	7.2	7.0	6.6	4.9	6.3	8.4	6.9	6.8
Vermont	15.5	15.9	18.9	14.8	13.7	15.6	13.3	9.3	10.1	14.7	13.3	16.6
Virginia	10.3	10.4	11.9	9.4	7.7	11.5	7.4	6.0	7.7	9.2	8.5	10.7
Washington	7.2	9.8	7.4	6.4	9.2	6.1	4.3	7.2	5.3	6.0	9.3	6.7
West Virginia	9.8	9.4	17.0	10.4	8.1	13.0	7.9	6.2	9.6	9.7	7.9	15.4
Wisconsin	11.0	13.2	13.4	10.1	10.5	10.4	7.7	7.3	6.8	9.2	10.2	11.9
Wyoming	9.6	9.4	8.5	7.8	7.8	7.6	8.1	5.3	5.7	8.6	6.4	6.8

Source: Department of Energy, Energy Information Administration, Form EIA-861, 2011.

Average Retail Choice (Unbundled) Rates by State, 2011

(cents per kilowatt-hour)

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

	Residential	Commercial	Industrial	Total
California.....	22.9	12.1	10.0	11.3
Connecticut.....	18.4	15.6	14.1	16.2
Delaware.....	12.8	9.3	7.7	8.8
District of Columbia.....	12.9	12.7	6.9	12.5
Illinois.....	11.6	7.8	6.5	7.1
Maine.....	15.4	12.3	8.9	12.6
Maryland.....	13.4	11.2	8.7	11.1
Massachusetts.....	16.1	14.2	13.7	14.0
Michigan.....	13.2	8.3	6.7	7.5
Montana.....	9.8	6.2	4.4	4.5
Nevada.....	-	7.5	4.6	5.2
New Hampshire.....	14.9	12.5	11.0	11.9
New Jersey.....	16.3	13.0	11.9	13.1
New York.....	19.3	15.0	7.2	14.5
Ohio.....	11.0	9.1	6.2	8.4
Oregon.....	-	7.8	5.0	5.9
Pennsylvania.....	13.3	9.2	7.5	8.9
Rhode Island.....	14.0	12.1	11.0	11.9
Washington.....	-	5.2	4.8	4.8

Source: Department of Energy, Energy Information Administration, Form EIA-861, 2011.