

Seasonal Energy Pricing

What are seasonal rates? Members pay a higher price in the summer (June-September) and winter (December-March) for electricity. During transitional months (April-May and October-November) prices are lower. The change is tied to TVA's cost difference for supplying power in the different seasons.

Why does it cost TVA more to produce power in the summer and winter? During a nice spring day, TVA can get by with using its hydroelectric dams, coal units and nuclear units to meet the demand for electricity. These are the cheapest ways for TVA to generate power. On a hot day, TVA must use more expensive ways to meet demand such as purchasing additional power from other generators to meet consumption demand.

Does this mean MLEC makes more profit during these times? No. It just means it costs us more to buy power from TVA; therefore, we pass the cost difference through to our members. (MLEC's portion of a residential member's bill essentially remains in the Basic MLEC Service line item.)