

Understanding your bill: Myths vs Facts



At PPL Electric Utilities, we understand concerns about high electric bills, especially during extreme weather. Let's clear up some misconceptions.

WE ONLY CONTROL A PORTION OF THE BILL, WHICH COVERS THE COST OF DELIVERING POWER TO YOUR HOME.



ABOUT 1/2 OF THE BILL IS OUTSIDE OF OUR DIRECT CONTROL AND FACTORS IN SUPPLY COSTS, ADDITIONAL REGULATED CHARGES AND TAXES.

MYTH #1
PPL Electric doesn't care when customer bills increase.

FACT
Customers are understandably concerned about higher bills, and we're concerned too. While we can't control market trends, we can empower you with the tools, resources and information needed to manage energy use and explore cost-saving opportunities. We are committed to operating efficiently and controlling the costs that we can while still ensuring reliable service for you.

MYTH #2
PPL Electric controls every part of the electric bill.

FACT
We don't have direct control over approximately 50% of a residential bill. This portion includes energy supply costs, regulated charges and taxes. If you don't shop for a third-party electricity supplier, we purchase power for you and pass on the cost of generation supply without markup. We don't profit from supply costs.
The other half of the bill is within our control, which includes the costs to maintain the poles, wires and equipment that deliver electricity to your home or business via the distribution grid. This portion is regulated by the Public Utility Commission (PUC) and varies according to how much electricity you use.

MYTH #3
PPL Electric benefits from Price to Compare increases.

FACT
We do not profit from these increases. The energy supply costs included in the Price to Compare are passed through, without markup, to customers who do not shop for a third-party supplier. Our Price to Compare is fixed for six months and changes twice per year on June 1 and December 1.

When the Price to Compare increases, it is based on increases in the energy supply market which is outside of our control.

MYTH #4
There is nothing I can do about my high bills.

FACT
We offer a wide range of tools and programs designed to help you manage energy costs and keep monthly bills as predictable and reasonable as possible.

- **Making bills more predictable and affordable** with budget billing, payment plans and due dates to fit your schedule.
- **Saving energy used at home or work** through no-cost and low-cost energy saving programs and products. Our energy efficiency advisors can guide you in ways to use less energy and save on your bills.
- **Providing bill assistance or support programs** if you need help paying your bill. We have programs and payment arrangements to help every family in need, regardless of income.
- **Shop for a competitive supplier.** Compare offers from third-party suppliers. Visit the PUC's papowerswitch.com.

Access these resources and more in one convenient place at ppllectric.com/SeasonalSavings.



Bill Explanation



Covers the cost of electricity used.

This is the PPL Electric default rate for energy supply, or Price to Compare, if you do not choose a generation supplier. This rate only changes twice per year on June 1 and December 1.

Shop for an electricity supplier.

Compares last year's usage to this year's.

Our contact information.

Pay before this date to avoid late payment charges.

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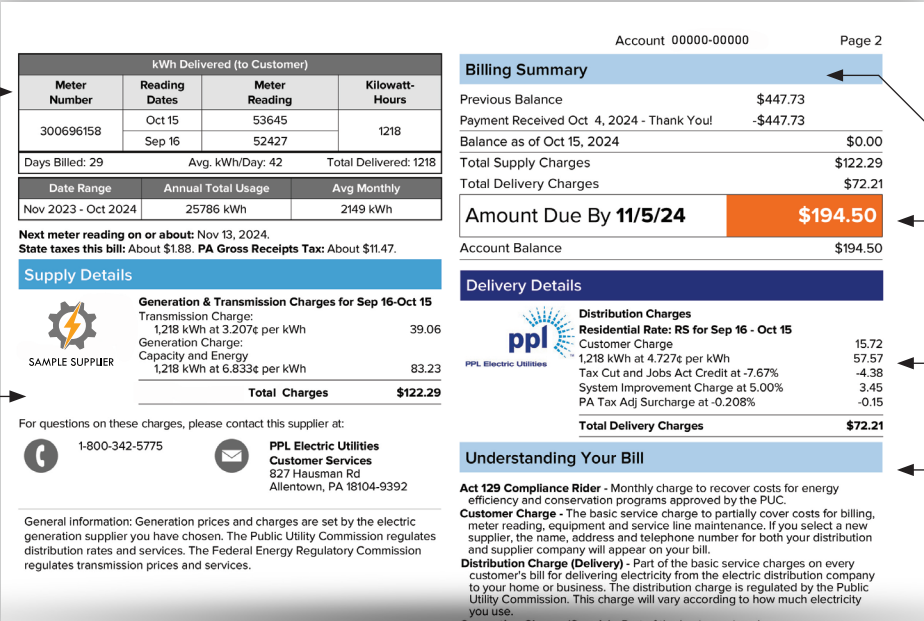
Total amount you owe.

Covers the cost to deliver electricity to your home or business.

Compares this month's electric use, cost and average temperature to last year.

A meter reading calculates energy use in kilowatt hours (kWh) for each billing cycle.

The supply charge is your electric use (kWh) multiplied by the supplier's current rate, or the PPL Electric default rate if you're not shopping.



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Clear summary of last month's charges, payments, remaining balance and current bill amount.

The amount you owe for the month.

See explanation below about delivery charges.

Explanation of terms used on your bill.

PPL Electric Delivery Charges Explanation

- Customer Charge** – A fixed fee set by the PA PUC covering meters, billing, and customer service.
- Distribution Energy Charge** – Cost of delivering electricity to your home or business.
- Distribution System Improvement Charge (DSIC)** – Monthly charge to recover costs for improving, repairing and replacing equipment that delivers electricity to your home or business.
- Certain eligible storm damage expenses.**

Additional Regulated Charges

State and federally mandated fees supporting energy assistance, efficiency and renewable programs:

- Universal Service Program charge** – Funding to assist eligible customers with their energy costs required by law.
- Energy Efficiency Programs charge** – Costs related to rebates and incentives to help customers save energy and reduce their bills required by the ACT129 law.
- Smart Meter charge** – Costs related to the installation of smart meters required by law.
- Competitive Enhancement charge** – Costs related to activities required by regulation to support the retail electric market.
- Taxes** – State taxes are included in your bill as required by law.

*Your bill may look slightly different if you're enrolled in our OnTrack program or budget billing.