

Electric Bill Breakdown

Understanding Your Electric Bill



Charges From Penn Power			
Customer Number: 0000000000 0000000000			
Rate Category: Standard Residential PP-RSF			
Price to Compare Default Service	909 KWH	x 0.105560	95.95
Customer Charge			10.47
Distribution System Improvement Charge			4.17
Distribution Charge	909 KWH	x 0.053256	48.41
Solar Requirements Charge	909 KWH	x 0.000060	0.05
Default Service Support Charge	909 KWH	x -0.000720	-0.65
TCJA Voluntary Surcharge			-3.30
Current Consumption Bill Charges			155.10
Late payment charge			3.58
Security Deposit Interest			-1.13
Total Charges			\$ 157.55

Price to Compare Default Service Charges for costs to provide energy, capacity, compliance with Alternative Energy Portfolio Standards, transmission and ancillary services for customers receiving Default Service.

Customer Charge A monthly basic distribution charge to cover costs for billing, meter reading, equipment, maintenance and advanced metering.

Distribution System Improvement Charge This charge recovers costs incurred to repair, improve or replace infrastructure that the Company uses to deliver electricity to its customers.

Distribution Charge Charge for Universal Service Program and Energy Efficiency Program costs, and for the use of local wires, transformers, substations and other equipment used to deliver electricity to consumers from high-voltage transmission lines.

Solar Requirements Charge Charge to acquire Solar Photovoltaic Alternative Energy Credits to comply with the Alternative Energy Portfolio Standards Act.

Default Service Support Charge Charge to recover new and deferred costs associated with serving customers in a competitive market.

TCJA Voluntary Surcharge This surcharge adjusts customer rates for the reduction to corporate federal income tax under the Tax Cuts and Jobs Act.

State Tax Adjustment A charge, or a credit, or electric rates to reflect changes in various state taxes included in your bill. The surcharge may vary by bill component.

kWh (Kilowatt-hour) The basic unit of electric energy for which most customers are charged. The amount of electricity used by ten 100-watt lights left on for 1 hour. Customers are usually charged for electricity in cents per kilowatt-hour.

Choosing a competitive supplier for your electric generation

Electric customers in Pennsylvania were among the very first in the United States to have the ability to choose the company that supplies their electricity. You may be able to choose your electric generation supplier (EGS) in areas where competitive electricity supplies are being offered. Consumers may be able to secure supply rates below the prices offered by their utility. Generation supply costs comprise the majority of the average electric bill. Consumers are encouraged to proactively engage competitive suppliers – whose price is unregulated by the Pennsylvania Public Utility Commission (PUC) – to obtain pricing information for the generation portion of their bill. Competitive offers may not be available in all areas. Low-income customers enrolled in a utility's Customer Assistance Program (CAP) may shop for electric generation; however, the PUC advises those customers that their participation in CAP will be discontinued once they enroll with a competitive supplier.

Why should I shop for electricity?

Just like you would shop for any household item, you can shop for your electricity to find the best deal and the best service for you needs. Remember, saving just one cent per kWh could translate into more than \$100 a year in savings, depending on usage. Competitive offers may not be available in all areas. Log onto www.PAPowerSwitch.com to learn about suppliers in your area.

Will I still be able to take advantage of “budget billing”?

Yes. Budget billing allows you to pay a “fixed amount” each month, providing certainty in your bills. Budget billing averages bills out over 12 months, but does not guarantee an annual fixed rate as budget bills are subject to quarterly adjustments based on usage.

What is the “price to compare”?

The price to compare (PTC) is the price per kilowatt hour (kWh) your electric distribution company will charge. When asked, the competitive supplier also will provide you with a PTC, allowing you to make an apples-to-apples comparison on price for the generation portion of your bill. Be sure to ask how long the price is effective. The PTC includes the GRT and may include the STAS.

What is the Gross Receipts Tax and how is it factored into the Price to Compare ?

The Gross Receipts Tax (GRT) is a Pennsylvania state tax imposed on the gross receipts from sales of electric energy within Pennsylvania and is included in the PTC. The Gross Receipts Tax is paid by both the electric distribution company (EDC) and the EGS on the basis of the company's or the supplier's gross receipts from the sale of generation supply within Pennsylvania. EDCs and EGSs include the GRT as part of the cost of electric generation supply.

Is the Gross Receipts Tax part of the State Tax Adjustment Surcharge (STAS)?

The GRT is usually partially collected in the STAS and partially in the base rates, but it may depend on the timing of any tax changes and rate cases.

My utility company has always been a good company. Why should I switch now?

Penn Power does not care if you choose a competitive supplier and is encouraging its customers to shop around. Penn Power will continue to deliver your electricity, provide reliable service and respond to outage problems. The quality, reliability, and maintenance of your electric service should not change as it is still monitored by the Commission. You may be able to save money with a competitive supplier or you can stay with Penn Power. It's your choice.

For Further Information, Contact the Public Utility Commission:

Write

PA Public Utility Commission
Bureau of Consumer Services
400 North Street
Harrisburg, PA 17120

Call

1-800-692-7380
For people with speech or hearing loss, dial 7-1-1 (Telecommunications Relay Service)

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