

PENN YAN

Winter Bill Notice to Customers:

Dear Customer:

The cost of electricity is likely to be higher this winter season. You may have some questions, and we wanted to provide you information to help you prepare for the upcoming winter heating season.

In addition to the climbing costs of New York State's energy policies, electricity costs are highly dependent on natural gas prices. While you, as a customer of a municipally owned electric system, receive the majority of your power from the Niagara Hydroelectric Project, the balance is supplied from New York State's energy market. Therefore, you will still see higher bills higher compared to last winter in part due to skyrocketing national and international natural gas and oil prices. While our hydro supply and hedging supply strategy puts us in a better position to deal with these changes compared with other utilities in the State, some cost increases are still unavoidable.

The State has projected that electricity bills will increase by up to 50% this winter. By comparison, your power bills for the winter should only increase 7-17% based on our projections for normal winter weather. Of course, should this winter be colder than normal, those costs will increase more.

Rest assured that we are doing everything within our power to provide electricity at the lowest possible cost for the winter and beyond. If you experience difficulties paying energy bills, you may be eligible to receive funds credited directly to your utility bill through the State's [Home Energy Assistance Program](#) ("HEAP"). In addition, if your heating system is off or is scheduled to be shut-off, you may be eligible for HEAP's [emergency benefits](#). You can apply for HEAP benefits at: <https://otda.ny.gov/programs/apply/#heap>

You may also want to consider reducing your energy bills through one of the programs offered by the [Independent Energy Efficiency Program](#) ("IEEP"). IEEP helps our customers plan for and install energy-efficient technologies that will reduce your home's energy needs. Some of the [programs](#) include: incentives of up to \$125 to replace existing appliances with energy efficient models; insulation assistance; and support for low-income customers. Information about IEEP programs is available at <https://ieepny.com> Finally, you may want to consider switching to budget billing, which keeps you monthly bill stable.

If you are interested in any of these programs, or are having trouble paying your bill please contact us at 315-536-3374 as soon as possible so that we may find a solution that works for your circumstances.

We would be happy to discuss these issues with you should you have any questions.