

What you need to know about rising energy costs, and resources to help you manage your bill today

By: Lisa Norden, Vice President of Customer Service



Energy costs are rising. And as we head into the summer months, many customers are understandably concerned about higher bills. We're concerned too. That's why we're doing everything we can to help you understand your options, control your usage and take advantage of every resource available to you.

Why generation prices are rising

In Pennsylvania and the broader region, energy market prices for electric generation supply have risen sharply due to the retirement of older baseload power plants and limited new generation resources being built as replacements. With electricity demand expected to increase over the next decade, this situation could worsen if new generation isn't added. Our President, Christine Martin, addressed this crisis in an op-ed published earlier this year.

These energy market conditions are putting an unnecessary cost burden on customers. Generation supply price increases are the main driver of the nearly 16% increase in our Price to Compare that took effect on June 1. This increase is especially significant for our customers, since nearly 50% of an average bill is attributable to generation supply costs.

We want to assure you that we do not profit from these increases in the generation supply charge. In fact, under Pennsylvania law, we do not generate electricity and are required to purchase electricity through a competitive, transparent auction process on behalf of customers who do not choose a third-party supplier. These generation supply costs are passed along to you at the price that we pay, without a profit or markup. In fact, PPL Electric Utilities only controls about half of your electric bill – covering the cost of delivering power to homes and businesses over distribution and transmission lines. The remaining half, which includes generation supply costs, regulatory mandates and taxes, is outside of our control. Despite this, we are committed to operating efficiently and controlling the costs that we can while still ensuring reliable service for our customers.

"These energy market conditions are putting an unnecessary cost burden on customers. Generation supply price increases are the main driver of the nearly 16% increase in our Price to Compare"

Resources to help you take control of your bill

While we can't control these market trends, we can empower customers with the tools and information needed to manage energy use and explore cost-saving opportunities.

We offer a variety of resources designed to help you make informed decisions, manage your energy use and keep your monthly bills as predictable and reasonable as possible:

- **Budget billing and flexible payment plans:** Spread your energy costs throughout the year or choose a bill due date that works best for your budget.
- Energy-saving programs and rebates: From virtual home energy audits to personalized tips, product rebates and discounts, we offer free or low-cost ways to cut your energy use and lower your bill. We have also launched a new and improved Home Energy Analyzer tool to help you better understand where you are using the most energy in your home and make informed decisions on changes that will have the most impact.



What you need to know about rising energy costs (continued)

- **Bill assistance programs:** For income-eligible customers facing financial challenges, we provide a range of assistance options. Whether your need is temporary or long-term, we're here to help. We have also expanded our Operation HELP electricity fund and raised individual grant levels to provide \$1.5 million in total grants to eligible customers this year.
- Shop for a competitive supplier: Customers can compare offers from third-party electric generation suppliers on <u>PaPowerSwitch.com</u> and potentially lock in a lower rate. There are often savings available through shopping, but as always, we urge customers to carefully review the terms and conditions – including price, contract length, fixed or variable rates, and monthly and/or cancellation fees. Every year, we see many of our shopping customers paying more than the Price to Compare, so it is important to carefully choose your supplier and be aware of your contract terms.

We encourage customers to use our web-based self-service features to enroll or apply for available programs. Customers can access all resources in one convenient place by visiting <u>pplelectric.com/SeasonalSavings</u>.

Looking ahead

Our priority is clear – providing safe, reliable service while helping customers navigate a complex and changing energy landscape. Whether it's answering your billing questions, helping you access assistance or offering new tools to reduce your energy use, we're here to support you every step of the way.

"Our priority is clear — providing safe, reliable service while helping customers navigate a complex and changing energy landscape."

We continue to control our costs to keep our delivery charges among the lowest in the state, and we are making smart investments to improve your service. And, soon, we will be rolling out additional self-service options for you to interact with us and manage your electric account. If you have questions or need help exploring your options, please visit <u>pplelectric.com</u> or contact our customer service team. We're here to help you manage your energy costs with confidence.

Understanding your bill

We want customers to understand what goes into their bills. We have created a new webpage that breaks down the charges on an average residential electric bill and answers commonly asked questions.

Visit pplelectric.com/bill101 for more information.



House Bill 1272 introduced to address resource adequacy, affordability concerns

This spring, House Bill 1272 (HB1272) was introduced by Rep. Perry Stambaugh with the co-sponsorship of 15 members. The proposed legislation aims to provide regulated electric utilities with the option to invest in and own generation to address resource adequacy gaps. In the Senate, Sen. Jarret Coleman (R-Lehigh and Bucks) circulated a co-sponsorship memo for legislation titled "Securing a Reliable and Affordable Energy Supply for PA."

More recently, regional grid operator PJM Interconnection sounded the alarm on the growing risk of an energy shortfall in its 2025 summer outlook. While PJM states it has enough capacity to meet its projected demand for this summer, the grid operator acknowledged that its reserves could fall short under extreme conditions.

Addressing these potential energy shortfalls before they happen, in addition to keeping costs lower for customers, is the main driver for the introduction of HB1272. In situations where there are gaps in resources, electric distribution companies' generation would be able to fill them. A portion of the net revenues would be passed on to customers. The bill has been referred to the House Energy Committee for consideration.



New Energy Analyzer tool helps customers take control of energy usage

We understand that our customers need help more than ever, and we're excited to introduce our new Energy Analyzer. This powerful tool helps residential and small business customers see when, where and how their home or business uses energy. By viewing usage trends over time and analyzing the impact of weather, customers can better understand their energy habits – empowering them to use less and save more. The Energy Analyzer also highlights which appliances and categories consume the most energy, helping users identify the greatest opportunities for savings. With personalized tips and recommendations, it's a valuable addition to our suite of energy efficiency tools, tips and programs to help customers reduce energy use and lower their bills. To get started, visit <u>pplelectric.</u> <u>com/EnergyAnalyzer</u>.

Our team of foresters does its part to keep power reliable for customers



PPL Electric foresters balance two important responsibilities: managing trees so they don't cause power outages and protecting and preserving wooded areas. Our team of foresters that oversees year-round tree trimming

and other vegetation work helps keep power lines clear to prevent outages.

Foresters work directly with line clearance-qualified tree contractors who do the work on a cyclical basis. Before any pruning or tree removal occurs, vegetation conditions are assessed based on each tree's species, growth rates, distance from the lines and time since the last vegetation work was performed.

And when our foresters do the work, their goal is to complete it in a professional manner, treat private property with care and remain sensitive to individual landowner concerns about vegetation management while doing the work that is needed to improve electric service reliability for all customers.

For a look at the type of work our foresters and tree trimming crews do, check out this <u>video</u>.



By identifying what appliances and categories are using the most energy in homes or businesses, our customers can find opportunities for savings.

New lineworker class

PPL Electric Utilities welcomed 21line worker trainees that are poised to play critical roles in helping the company become the best utility in the nation. The latest class of helpers recently completed training in Allentown with in-class instruction and practical hands-on training that included pole-climbing. They have been assigned to work with crews at service centers across PPL Electric's 29-county service territory where they will begin their work to keep the lights on for 1.5 million customers.



PPL Electric recently welcomed 21 new line workers to our company. These employees play a key role in our mission to provide reliable service to our 1.5 million customers throughout 29 counties in PA.

Supporting education in eastern and central Pennsylvania through annual EITC grants

In addition to grants funded by the PPL Foundation, PPL also supports additional funding opportunities for eligible organizations. Education Improvement Tax Credit (EITC) grants allow the company to invest in projects that improve and enhance educational opportunities for Education Improvement and Pre-K organizations. In 2024, \$750,000 in grants were awarded to over 200 organizations across 19 of our 29 counties, including:

- Berks
- Clinton
- Columbia
- Cumberland
- Dauphin
- Lackawanna
- Lancaster
- Lehigh
- Luzerne
- Lycoming

- Monroe
- Montour
- Northampton
- Perry
- Schuylkill
- Snyder

- Union Wayne
- York

Whether it's supporting STEM learning, summer camps or the many other outlets for educational improvement, PPL is proud to help enhance programming for countless learners. Interested organizations can apply for grants from June 1 to July 15. In the fall, winners will be notified and grants will be dispersed, pending state approval.





This year's show entitled Hazard Heros taught children about household electrical safety dangers in an entertaining and engaging way

Electrical safety theater performance tour

Teaching young children about electrical safety has been an essential goal of our electrical safety theater program since its inception in 2015. This year the program reached over 10,000 children in 30 schools between March 24 and April 11. Over the past decade, the show has reached 178,000 children who have received the valuable electrical safety lessons to remember and share with their families. The format of the show is engaging and the students and teachers who saw the show this year shared their positive comments with us. To help teachers continue the discussion about electrical safety, PPL Electric provided supplemental digital education materials that include e-books, digital games and activities themed around the program.

©2025 PPL Electric Utilities Corporation