

News Release

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FOR IMMEDIATE RELEASE

Citizens' Electric files for distribution rate increase

LEWISBURG (Friday, April 29, 2022) — Citizens' Electric Co. today filed a distribution rate increase proposal with the Pennsylvania Public Utility Commission (PUC).

The amount of the proposed increase is \$1 million per year or about 7.3% of the company's total annual revenue. The proposed effective date for the increase is June 28, 2022. Company officials expect the PUC will suspend the effective date for this filing to review Citizens' Electric's costs, which will likely result in the new rates taking effect in late 2022 or early 2023..

In Pennsylvania, electric rates are made up of three components: "generation" or the production of electricity; "transmission" or the movement of electricity from where it is generated to the point of distribution; and "distribution" or the delivery of electricity from transmission lines to consumers' homes and businesses. The proposed rate change would be reflected in the distribution portion of customers' bills. The company last filed to increase its distribution rates in July, 2019.

If the company's entire request to increase rates by \$1 million is approved by the PUC, the total bill for a residential customer purchasing electricity from Citizens' and using 1,250

kilowatt-hours (kWh) per month would increase by \$10.90 per month, about 8%, from \$137.15 to \$148.05.

The total bill for commercial class customers purchasing electricity from Citizens' will vary depending on billing demand and rate schedule. For example, the bill for a commercial customer on Schedule GLP-1 with a 7 kW demand using approximately 2,555 kWh per month would increase by \$6.91 per month, from \$250.91 to \$257.82. This is about a 2.8% increase in total charges. The bill for a commercial customer on Schedule GLP-1 with a billing demand of 10 kW using approximately 3,650 kWh per month would increase by \$9.45 per month, about 2.7%, from \$352.01 to \$361.46. The bill for a commercial customer on Schedule GLP-3 with a billing demand of 150 kW using approximately 54,750 kWh per month would increase by \$98.81 per month, from \$4,926.66 to \$5,025.47.

Bills for other types of customers, including those purchasing street and area lighting service or space heating service, will also change. Any residential, commercial or other type of customer can contact Citizens' for an estimate of the impact of the proposed rate changes on its annual payments to the company.

The company is implementing certain changes to the rate design for some customer classes that will impact customers' total monthly charges. These changes are needed to ensure the rates better reflect the costs that the company incurs to serve each customer class. The specific changes are included in materials available from the company.

“Like most businesses, Citizens' Electric has been impacted by the sharp rise in the cost of materials, fuel and equipment over the past year due to inflation,” said President & CEO John Kelchner. “The proposed rate adjustment will enable us to adequately invest in our system and ensure we are able to continue providing our customers with the safe and highly reliable electric service they have come to expect from Citizens' Electric Co.”

Any questions concerning the increase or its effect on customers' bills can be directed to the Citizens' Electric office at 570-524-2231. A copy of the filing will be available on the company's website at www.citizenselectric.com.

Citizens' Electric, with headquarters in Lewisburg, serves approximately 7,100 residential, commercial, and industrial customers in Lewisburg, East Buffalo, Buffalo and Kelly townships in Union County.

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