

Dear PCL&P Electric and Gas Customer:

The State Tax Adjustment Surcharges (STAS) for PCL&P electric and gas service were revised on January 1, 2012. These surcharges are an adjustment to electric and gas rates that recovers or refunds differences between the current level of various Pennsylvania state taxes and amounts included in rates.

The electric STAS assessed on delivery charges decreased from a surcharge of 0.39% to a surcharge of 0.08%. The electric STAS assessed on default service charges decreased from a surcharge of 0.19% to a refund of 0.02%. A typical residential electric customer using 660 kWh will see a monthly bill decrease of approximately 24 cents.

The gas STAS decreased from a surcharge of 0.06% to a surcharge of 0.03%. As a result, a typical residential gas customer using 120 ccf will see a monthly bill decrease of approximately five cents.

At Pike County Light & Power Co., we are committed to providing you with safe, reliable energy service and to keeping down costs within our control.

 **Pike County Light & Power Co.**