



Sullivan County Rural Electric Cooperative, Inc.

P.O. Box 65, Route 87 • Forksville, Pennsylvania 18616 • Phone: 570-924-3381, 800-570-5081

January 1, 2025

Dear Commercial Member:

There will be a 3 % to 3 ½ % increase to your overall electric bill beginning with your January 2025 KWh energy usage. You will see this rate change on the bill you receive in February. This rate change consists of a 6 % increase on the Generation KWh charge due to the increased cost of generation. There will be no change to the distribution portion of your bill.

Generation rates are based upon the cost to generate and transmit power to the Cooperative's substations. Members pay for and are billed on a per KWh basis. During recent years, environmental regulation requirements have forced the closure of many traditional fossil fuel driven generators. At the same time, the demand for energy is increasing and outpacing the construction and commissioning of new power plants. This lack of available supply has caused generation rates to increase. If this trend continues so will the upward trend in generation costs.

Your cooperative is a not for profit organization that strives to keep rates as low as possible while continuing to meet our financial obligations. Our goal each and every year is to cover expenses so that key financial ratios are met and members are not overcharged for the energy they consume. As the cooperative's growth remains flat, any increase on either the distribution or generation portion of the bill results in the increase being passed onto the member. This, unfortunately, has been the environment we have been dealing with over the past several years.

SCREC management struggled to find ways to keep rates stable in the upcoming year but in the end realized a minimal increase was required. The recommended rate increase was approved in December. New rate sheets are available on our web site or can be provided upon request. Please call the office if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "John C. Lykens". The signature is fluid and cursive, with a long horizontal stroke at the end.

John C. Lykens
CEO