

The Energy Line



Energy information for the customers of Wellsboro Electric

FrontePresident & CEO

WECo awarded rate increase

As you may have heard by now, the state Public Utility Commission has granted Wellsboro Electric an increase to our distribution rate.

The rate adjustment will support several initiatives, including construction of our new substation on Buena Vista Street and continuation of the aggressive line replacement and system improvement program we began ten years ago. These projects are designed to improve the reliability of our electric delivery system and to enable us to meet the growing energy needs of the Wellsboro area for many years to come.

Keeping the lights on for our customers and providing power at a reasonable cost are at the heart of our efforts here at Wellsboro Electric Co. Even with the increase, which will take effect in May, our rates will remain below the state average and our reliability indices, above.

I know there's never a good time to increase rates. Most people are feeling the pinch of higher gas prices and rising health care costs. Your electric provider is facing upward pricing pressure, too.

Despite rising fuel costs, escalating construction and equipment expenses and skyrocketing health insurance premiums, this is just the second distribution rate increase we have been granted in a decade. Over that same time frame, we have invested more than \$5 million in our electric system.

With additional revenues coming in from this recent rate adjustment, customers can count on the continuation of work to strengthen our system, which in turn increases the reliability of your electric service.

While our rate filing sought an increase only to our distribution charge — the portion of your electric bill that goes toward maintaining our electric system — the settlement also produced a small increase to our generation charge.

As a result of the settlement, overall electricity rates will be going up by approximately 8 percent, with the exact amount depending upon rate class and the amount of electricity used.

For the average residential customer using 800 kilowatt-hours of electricity per month, the increase will add about \$??? to your electric bill. The new rates will be phased in over the next several months, with full implementation taking place once the Buena Vista Street substation has been completed.

After nine months of review and negotiations with the PUC and the consumer advocate, we are pleased to have this rate case behind us and satisfied with the settlement. The settlement was established in the best interest of all parties, and it will allow us to continue improving the reliability of your electric service while continuing to provide electricity at a reasonable cost.



Sincerely,

Wellsboro Electric

33 Austin Street
Wellsboro, PA 16901
(570) 724-3516

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Substation project moves ahead

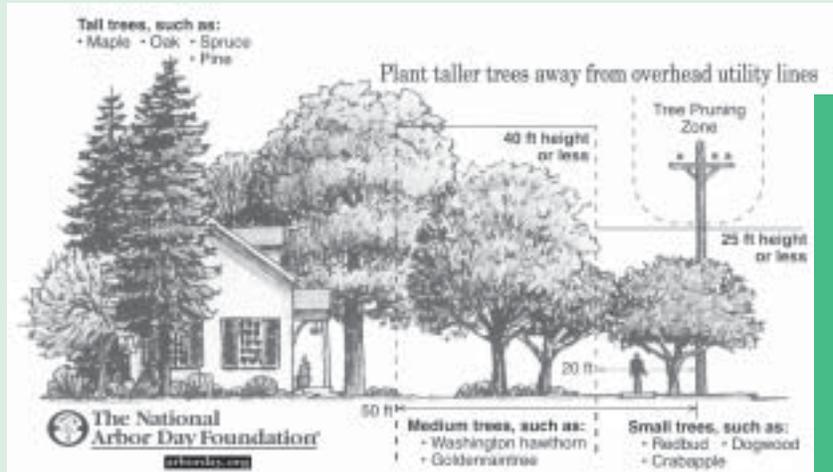
Planting the right trees

Level out your electric bills

Planting the right tree in the right place

You can help reduce Wellsboro Electric's right-of-way maintenance costs by selecting trees for your yard based on their mature height and proximity to electric lines.

- Plant tall trees well away from overhead lines, and make sure the roots will have room to grow and won't interfere with underground lines.
- Plant small trees near any power lines.
- Make sure there are no underground power lines where you plan to dig. To check, call Pennsylvania One Call at 1-800-242-1776.
- Trees planted too close to electric lines must be trimmed. Please cooperate with your electric company if your trees require pruning.



At left are examples of different species of trees you can plant around your home and the proper distance to maintain between trees and electric lines. If you have questions regarding planting trees in the vicinity of electric lines, please contact Wellsboro Electric Co., at (570) 724-3516.

Substation project springs to life

Wellsboro Electric took delivery of a 49-ton substation power transformer in March, marking the beginning of a multi-year construction project that will enable us to meet the growing electric needs of the Wellsboro community and improve reliability for our customers.

The substation, which is a facility used for changing or regulating the voltage of electricity, will receive power from Penelec's 34,500-volt transmission line and reduce the voltage to 12,470 volts, the level at which the Wellsboro Electric system operates.

The Buena Vista Street project will take place in two

phases. The first phase is expected to be completed in May, when the new substation is energized.

Initially, the substation will serve Wellsboro Electric's Dresser, Middlebury Center and Charleston circuits. The second phase of construction, projected to take place in about three years, will involve placing another transformer at the site and building a 115,000-volt transmission line to the facility.

Once the second phase of work is completed, Wellsboro Electric's existing substation on Austin Street, adjacent to our office, will be retired and dismantled. At that time, the Buena Vista Street substation will serve all the electric needs of the Wellsboro system.

Have we got your number?

Please verify your telephone number on your next electric bill. If it is incorrect, please write the correct number on your payment stub. We use your phone number when dispatching outages and in the event that we need to notify you about planned outages.

Let budget billing even out payments

You can avoid monthly fluctuations in your electric bill by signing up for Wellsboro Electric's Budget Billing plan.

The program allows you to level out your monthly payments throughout the year.

If you are interested in setting up a budget billing plan for your account, please contact our office.

We will calculate your monthly payment amount and mail it to you, along with a sign-up form and additional budget billing information.

Call before you dig

Planning excavation work? Get your project off to a safe start. Call Pennsylvania's One Call System three days before you dig. Call 1-800-242-1776 or visit PA One Call.