

Our focus on safe, reliable service

Providing safe, reliable energy service to you at an affordable price remains our top priority. That's why we continue to prioritize investments in a stronger, resilient energy grid. If you do experience a power outage, we remain committed to restoring power as quickly and safely as possible.

Destructive storms that were once every 100 years are becoming the norm annually. Even with large investments in preventative infrastructure, storms are more intense and frequent than ever before. Over nearly the last decade, NYSEG has incurred approximately \$680 million of expense to restore service to customers during storms that has yet to be collected from customers. Addressing these storm costs through traditional ratemaking would bring high bill impacts over a short period of time.

Securitization is an alternative mechanism to ratemaking to resolve certain past storm costs with lower interest rates, reducing the impact to you. Securitization is similar to refinancing your mortgage to secure a lower interest rate. Legislation authorizing securitization was signed into law in 2024 and the New York Public Service Commission, our government regulator, approved the securitization plan because it provides benefits to our customers.

Your bill includes a recovery charge on electricity consumption and demand, effective February 11, 2025. Please review the other side for more information about the new recovery charge.



NYSEG Recovery Charge

The New York State Public Service Commission has authorized NYSEG to issue securitized debt for legacy storm recovery costs (including upfront and ongoing charges) through a Financing Order issued on December 19, 2024. Customers will begin seeing a charge on their bill as a separate line item titled “Recovery Charge.” The average Service Class 1 electric customer using 600 kilowatt-hours (kWh) per month would see a 6.7 percent total bill increase in the first year. NYSEG Storm Funding, LLC is the owner of the rights to the Recovery Charge. NYSEG is acting as a collection agent or servicer on behalf of NYSEG Storm Funding, LLC.

The recovery charge is calculated based on electricity consumption and demand. After six months and based on current projections, the recovery charge is estimated to decrease. The approved recovery charge allows a lower interest rate on certain past storm costs over ten years to your benefit. We do not make any profit on the charge. Additional information on this charge is available at **nyseg.com** by clicking on “Account” and selecting “Electric Pricing” in the “Understand Your Bill” column.

