

Dear Member,

The following information is provided to help explain the various terms referenced on your enclosed bill:

Service Charge:

- The service charge represents the “fixed cost” that DCEC incurs in providing you electric service. The amount referenced in the “Current Bill Information” section of your bill is the service charge for December 2012. The service charges for January through November 2012 have been deducted from the payment you made in early 2012 and are reflected in the “Previous Balance” amount.

Energy Charge:

- This amount represents the “variable cost” DCEC incurs to provide you electric service. This charge is dependent on the amount of energy (in kilowatt-hours or “kWh”) you consumed throughout 2012.

Power Cost Adjustment (“PCA”):

- The charge represents an adjustment to the variable cost DCEC incurs in procuring wholesale energy on behalf of members. The adjustment factor applied to your bill is \$0.01078/kWh.

Security Lighting:

- If applicable, this charge represents the cost for DCEC providing you security light services for December 2012. The charges for January through November 2012 have been deducted from the pre-payment you made in early 2012 and are reflected in the “Previous Balance” amount.

New Advance Minimum:

- This amount represents the service charges and energy charges for 2013. The variable parts of this amount are based on your electrical usage over the past year.

Security Light Advance:

- If applicable, this charge represents your prepayment for security light services for 2013.

Previous Balance:

- This amount reflects the balance due or credit to your account as of the end of November 2012. Note, the charges for December are listed in the “Current Bill Information” section of your bill.