

# Notice of annual Cost of Energy adjustment true-up

The Resource Adjustment on your bill includes a Cost of Energy (COE) adjustment. We calculate the COE by adding the total cost of the fuel, including transportation, and purchased energy we use to provide service and subtract costs that already are part of your per-kilowatt-hour base rate. If the amount is lower than the amount already included in the base rate, you receive a credit on your bill. If the amount is higher, you see a charge. These energy costs are passed through to customers without a markup, so we don't profit from them.

In the past, we have compared actual costs for July of the prior year through June of the current year to amounts collected from customers through base rates and the COE over the same time period and computed a rate that trues-up the difference over the next 12 months.

Effective September 1, 2019, the current true-up rate will be set to zero and no true-up amount will be included in monthly COE rates from September 2019 through February 2020. The next true-up rate will be computed, per an approved variance, for the eighteen-month true-up period of July 2018 through December 2019. That true-up rate will be effective March 1, 2020, through February 28, 2021.

If you would like more information, call Customer Service at **800-257-4044** or visit our web site at **otpc.com**.

