

.0188 cent on bills with “to” dates from 8/2/05 through 12/31/05

Ordinarily, any state income tax that is overcollected is returned to customers through the Percentage Increase in Rates and Charges (“Percentage”). However, since that would have resulted in a negative Percentage for some municipalities in recent months, the Company received approval from the Public Service Commission to refund state income tax over-collections to customers through a per-kilowatthour credit in months where the Percentage would be a credit. (This is described on Leaf No. 166 of the Schedule for Electricity Service, P.S.C. No. 9 - Electricity.)

A per-kWhr credit of 0.0188 cent is being applied to electric bills having "to dates" from 8/2/05 through 12/31/05.