

[Customer Name]
[Company Name]
[Address]
[City State Zip]

Re: [Customer- **Electric Rate, Zero Emissions Credit (ZEC) Charges to be enforced on all NY Customers**]

This communication is being sent to you regarding upcoming electric bill increases pursuant to a recent Order adopted by the Public Service Commission (NYPSC) and as mandated by the Governor's Office.

Recently, regulatory decisions by NYS to collect \$7.8 billions dollars to "bail-out" four upstate nuclear power generating units owned by the Exelon Corporation (Fitzpatrick, Ginna, and Nine Mile units 1 and 2) will lead to additional non-energy related charges added to your upcoming electric bills.

In August 2016, the New York Public Service Commission (NYPSC) initiated a new Zero-Emissions Credits (ZECs) fee. This fee is a non-energy related charge; meaning that your actual energy supply rate will not be changing, but rather a new charge mandated by the State will be added into your invoice.

The increased charges take effect on April 1, 2017. As a result of this decision, all energy companies (retail electricity suppliers and utilities alike) must remit the increased costs to the New York State Energy Research and Development Agency (NYSERDA), which is responsible for managing the ZEC purchases and obligations in your region.

Effective on or soon after your April 2017 invoice, the State will enforce the additional non-energy ZEC charge to all Utility Customers in New York. This monthly flat charge is expected to increase your overall price per kWh by approximately \$0.004/kWh.

Please note that your contracted energy rate will remain the same. However, if the Public Service Commission's Order holds, the ZECs charges will likely lead to increases in your electric bills beginning this April. Depending on court proceedings and other regulatory challenges, this mandate may or may not extend into the future, but the actual costs are currently unknown. We will keep you informed of any changes.

New Wave Energy has no financial interest or influence over the implementation of ZECs fees, only the State does. The adjustment it reflects an actual pass-through of the additional non-energy related charges ALL utility companies in NY will be obligated to remit back to the State to save the nukes.

If you have any questions, please use the below information to contact the **Public Service Commission** or the **Governor's Office**.

NYPSC- Secretary to the Commission

Hon. Kathleen H. Burgess
Secretary to the Commission
New York State Public Service Commission
Empire State Plaza
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Albany, NY 12223-1350
Phone: (518) 474-6530
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Governor Andrew Cuomo

The Honorable Andrew M. Cuomo
Governor of New York State
NYS State Capitol Building
Albany, NY 12224
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Sincerely,
Customer Service

Ride the Wave to Our Energy Future

NY ZECs Pass-Through FAQ

| Question | Answer |
|---------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Why did New Wave Energy have to pass through this new charge? | In August 2016, the New York State Public Service Commission approved the initiation of this charge in order to help fund renewable energy, and to sustain various nuclear generating units, in the state of New York and to cover these costs per the Commission's Order Adopting a Clean Energy Standard. |
| Why didn't New Wave Energy include this fee in my original rate? | Recently, regulatory and market forces have resulted in changes that affect your current electricity rate. This is a new "non-energy" component that did not previously exist; therefore it was not originally included in your original rate. |
| Is my local utility charging this new fee? | Yes, the Zero-Emissions Credits (ZECs) purchases applies to all load serving entities (both to ESCOs and Utility companies alike) |
| It seems like the rates of your fixed price products are changing. | The rate of our fixed product remains the same for the duration of the agreement, except to the extent that there is a regulatory or customer demand change which increases costs that must be passed through to the customer, as per the terms of the customer agreement and as allowed by the Commissions Order. |
| Why does this include payments for 2017 when the year hasn't begun? | You will be paying for the charges over the next 12 months or for the number of months remaining in your agreement, or as long as the ZEC program remains in effect – whichever is less. This means you could be paying applicable charges into the year 2018 and beyond. |
| Are there any additional charges I should know about on top of this one? | New Wave Energy has no financial interest or influence over the implementation of the ZECs fees. The adjustment reflects an actual pass-through of the additional non-energy related charges we must remit back to the State. |
| How will this show up on my bill? | For dual billed customers, the charge may show up as a line item labeled "ZECs Pass-Through Charge"; or it may be bundled into your overall rate. If you are billed through the utility, the line item will be labeled "Adjustments"; or it may be bundled into your overall rate per kWh. |
| Do you have any further information available regarding this tariff? | Yes. Please visit the PSC's website. Or click here: Order Adopting a Clean Energy Standard |