



February 23, 2026

Dear New River Light and Power Customer,

We know changes to your electric bill matter. We want to share information about the upcoming Purchased Power Adjustment (PPA) update following our required annual review.

Like many utilities across the country, NRLP is experiencing rising wholesale energy costs driven by increased demand and extreme weather. **Beginning with services billed on or after March 1, 2026, customers will see an increase in electricity rates** due to wholesale cost adjustments approved by the North Carolina Utilities Commission on February 23, 2026. This change reflects an update to the PPA **only**, a **direct pass-through** charge that accounts for the actual cost of wholesale power purchased on behalf of customers in calendar year 2025 and January 2026. NRLP **does not** profit from the PPA charge.

Residential customers will see an increase in total Energy Charge of \$0.035 per kilowatt-hour (kWh), from approximately \$0.097 to \$0.131. Commercial customers will see similar adjustments based on energy usage and load characteristics.

In conjunction with the annual PPA update, NRLP has reviewed and adjusted the Green Power Program. Beginning in March, the cost of each 250 kWh block will increase from \$5 to \$7.24 to reflect market-purchased renewable energy prices and support long-term program viability.

As you have come to expect from us, NRLP continues to provide highly reliable electric service at rates competitive with state and national averages.

We recognize that this adjustment may substantially impact some customers. Help is available through the WeCAN Crisis Assistance Program, in partnership with NRLP's Good Neighbor Round Up Program, and Watauga County Social Services (LIEAP and CIP). Our team is ready to work with you.

For more than 110 years, NRLP has been committed to serving our community. We continue to live that commitment each day by investing in our system, programs and people to meet today's challenges and prepare for the future.

Additional details are included in the enclosed notices. If you have questions or concerns, our team is here to help. Please contact us at 828-264-3671 or nrlp-csr@appstate.edu.

Sincerely,

Matthew Makdad
General Manager

UNDERSTANDING YOUR ELECTRIC BILL UPDATES

A quick guide to the Purchased Power Adjustment Updates

WHERE WILL I SEE THE CHANGES ON MY BILL?

- The PPA update is reflected on the Wholesale Power Supply Charge line.
- The Green Power Program update can be seen on the Renewable Block line.

New Charges

Basic Facilities Charge	14.50
Energy Charge:	
NRLP Distribution Charge	34.01
Wholesale Power Supply Charge	87.09
NC Sales Tax 7.0%	10.00
Renewable 1-Block (Rate 1)	7.24
Total New Charges	152.84

Excerpt from typical monthly NRLP customer bill with adjusted PPA and GPP pricing.

PPA NUMBERS AT A GLANCE

- The Wholesale Power Supply Charge increase for:
 - Residential: \$0.064 to \$0.098/ kWh
 - Commercial: \$0.069 to \$0.104/ kWh
 - Large Commercial: \$0.05 to \$0.085/ kWh

What is the Purchased Power Adjustment (PPA)?

The Purchased Power Adjustment reflects the actual cost of wholesale energy NRLP purchased on behalf of customers the previous year and the projected cost over the coming year.

TOOLS TO MANAGE ENERGY USE

- IntelaHome® Dashboard
- Energy Audits
- TempTracker365©
- Energy Forecast Tool
- nrlp.appstate.edu/resources

Does NRLP profit from the PPA updates?

No. The PPA is a pass-through charge only.

Why did the PPA increase?

The PPA is updated each March to ensure NRLP collected the correct amount for the energy purchased the previous year and to plan for upcoming energy costs. Some years, the PPA update results in an increase due to factors like extreme weather, storms and higher-than-expected wholesale energy prices.

FINANCIAL ASSISTANCE

- NRLP's Good Neighbor Round Up partners with WeCAN Crisis Assistance hospouse.org/wecan or 828-264-1237
- Watauga County Social Services (LIEAP and CIP) wataugacounty.org or 828-265-8100

Does the PPA have to do with the cost of labor, or equipment?

No. It is solely the cost of energy we purchase to bring electricity to your home or business.

Why is the Green Power Program changing?

Wholesale costs of hydroelectric energy have increased. Beginning this March, the cost of Green Power blocks will be adjusted annually, like the Wholesale Power Supply Charge, to help recover the cost of wholesale renewable energy and keep the program sustainable.