



Connections

MARCH 2006 NEWSLETTER FOR EASTON UTILITIES CUSTOMERS

Important telephone numbers:

Main switchboard
(410) 822-6110
(Customer service)

Emergencies
(410) 822-6110
(24 hours a day,
7 days a week)

EastonOnline
(410) 763-9400
(Customer service
and technical
support)

**Easton Cable
Advertising**
(410) 763-9404

Easton Utilities
201 N. Washington St.
P.O. Box 1189
Easton, MD 21601

www.eastonutilities.com

Mild temperatures lower utility costs in February

Several periods of mild weather in January and February offered a double benefit to utility customers. Because of the warmer weather, most customers were able to reduce the amount of electricity and natural gas they used. Reduced usage helped bring the price of each unit of energy down as well.

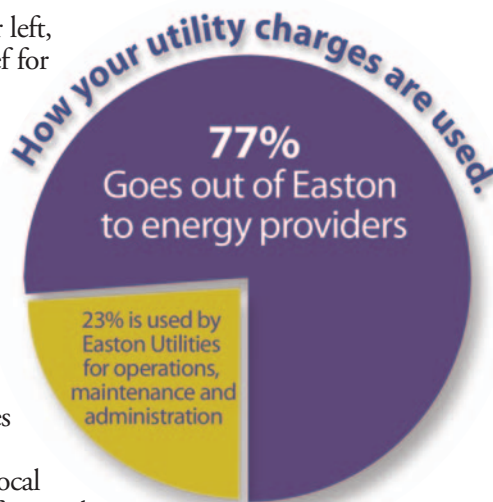
This January, Easton Utilities customers used approximately 28% less gas and 12% less electricity than they did in January 2005. In February, Easton Utilities customers used approximately 7% less gas and 6% less electricity than February of last year. At the same time, the price of each unit of electricity in February was approximately 9% lower than in January and the price of each unit of natural gas was approximately 1% lower than in January.

“Though we still have some weeks of winter left, these mild spells brought much-needed relief for utility customers,” said Hugh E. Grunden, President & CEO of Easton Utilities.

“Unfortunately, until there is a sustained correction in the market, the cost of each unit of energy used will remain higher than previous years.”

In 2005, rising international demand, limits on supply, and other global market conditions drove the price of oil 50% higher to a record \$70 a barrel. Natural gas prices doubled to more than \$15 per decatherm. These forces continue to have a significant local impact. In February, the cost of each unit of natural gas used in Easton was 55% higher and the cost of each unit of electricity was 32% higher than in February 2005.

The increase that utility customers have seen in their bills this year has been the result of these market conditions and the cold snap in the beginning of the winter. Utility bills include three basic types of charges. The first, or base charge, covers Easton Utilities' cost of operations, maintenance and administration of the utility system. For natural gas, the base charge only covers a portion of these costs and the Gas Customer Service charge covers the remainder. These charges do not include the cost of the energy that the customer has used. For a typical residential customer, this charge represents roughly 30% of the total electric bill and 20% of the total natural gas bill. The rates for the base charge have not changed since 1998 for electricity and 2003 for natural gas. The second set of charges covers the cost of the natural gas or electricity that the customer consumed. This is a pass-through charge. As a non-profit utility, Easton Utilities does not mark up the cost of the natural gas and electricity that it purchases on behalf of our customers. For the typical residential customer, this energy accounts for approximately 70% of the electric bill and 80% of the natural gas bill. The third type of charge, taxes and surcharges, are passed directly to the State of Maryland and account for less than 1% of the total bill.



SMELL GAS?

Call (410) 822-6110 and We'll Be Right There...ANY TIME

Safe, clean & efficient

Natural gas is a safe, clean and efficient way to heat your home and cook food. Easton is unique in Maryland as the state's only municipal gas utility. This means better service and lower costs for you. As with any source of heat, you should be careful to operate your natural gas appliances properly and safely. An unmistakable odor is added to natural gas as a built-in safety signal. If you smell gas, take the following steps.

If you smell gas indoors

If the odor is faint, chances are the pilot light is out or a burner valve is partially turned on. Check them. If either is the case, you can easily and safely correct the situation. If the pilot light or burner valve is not the cause of the odor, call Easton Utilities at (410) 822-6110 immediately.

Safety Tip: Be sure all appliance vents are opened properly. Vents carry exhaust up the chimney and out of the house. If the vent is rusted, it can't do its job properly and should be replaced. If there is a blockage, you may be able to detect some odor. Call Easton Utilities if you suspect that your gas appliance's exhaust is spilling into your basement or living area.

Safety Tip: Take care to light your gas oven safely

When lighting a gas oven that doesn't have an automatic pilot:
(1) First, open the oven door; (2) Check the lighter tube to be sure it is clear of burned matches; (3) Light a match; (4) Turn on the gas and apply the match to the lighter tube.

If the oven doesn't light, turn off the gas. Wait a few minutes with the oven door open before attempting to re-light. Also, be sure that everyone in your family learns how to light the oven properly.

If you smell gas outdoors

Call Easton Utilities immediately. Our special equipment will detect the source of the leak and we will make necessary repairs. There is never a reason to be embarrassed about calling Easton Utilities if the suspected leak turns out to be something else. Always err on the side of safety and call us any time.

Call before you dig! It's the law

Excavation damage can cause injury, loss of life and environmental damage. It also causes interruptions in vital services and can involve tremendous repair costs.

Contact the Miss Utility Call Center by phone or on the Internet 2-10 days before you dig.
(800) 441-8355 or www.missutilitydelmarva.com

Semi-annual water main flushing, April 22-24

Beginning at 9:30 p.m. on Saturday, April 22 through Sunday, April 23 Easton Utilities will flush Easton's water system. Normal service should be restored by 6 a.m. on Monday, April 24. This semi-annual flushing reduces the trace amounts of material commonly found in any water system. While flushing is in progress, you will likely experience a drop in water pressure and may notice a rusty appearance to the water. This is normal and the water is safe for drinking or bathing. However, we recommend that you avoid doing laundry and minimize the use of hot water. The iron deposits being flushed may cause clothes to stain or collect in hot water heaters.

While this program may cause some inconvenience, it will help to maintain the quality of your service during the following year. We appreciate your cooperation and understanding. If you have any questions concerning this flushing program, please call (410) 822-6110.

Water system improvements

From March 1 to April 23, Easton Utilities will upgrade the filtration system at the Glebe Water Treatment facility. During this time, customers in the northern part of the water system (north of Goldsborough Street) may experience some periods of discolored water. This is normal and the water is safe for drinking or bathing. However, we recommend that you avoid doing laundry and minimize the use of hot water if you notice discolored water. Please report any discoloration as soon as it is detected by calling (410) 822-6110