

## Lower Paxton Twp. board approves pact to buy electricity

**LOWER PAXTON TWP.** • Lower Paxton Twp. supervisors Tuesday night unanimously approved a two-year contract to buy electricity for the municipal government's usage, calling it "a gamble" to predict prices after rate caps expire.

The five supervisors voted to pay \$.084 per kilowatt hour to Constellation Energy of Baltimore, starting in December.

The proposal is in accordance with the Pennsylvania League of Cities and Municipalities' Municipal Utility Alliance, to which Lower Paxton Twp. belongs, township officials said.

The supervisors debated whether to lock into a price for one, two or three years. William Hawk, board president, called the two-year term "a compromise. We know electric prices will go up. I suspect that when they do, consumption will go down. Maybe, with too much supply, prices will go down, too."

**BACKGROUND:** Electricity prices were capped in the 1990s as part of deregulation. The rates for PPL customers will increase at the end of this year, and the rates for the rest of Pennsylvania customers will increase by the end of 2010.

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