

Consumers' Corner



Serving Ohio's 4.5 million households

Autumn 2015

Making "cents" of your electric utility bill



Reading your electric bill may be a challenge. But help is on the way. The Office of the Ohio Consumers' Counsel (OCC) has a fact sheet at <http://ow.ly/VYDkC> to help you better understand your electric bill.

An electric bill consists of three primary charges: a distribution charge, a generation charge, and a transmission charge. Understanding how these charges affect your electric bill will help you understand your bill and may help you save money.

and marketers). This comparison is called the "Price to Compare." Consumers may be able to save money by finding lower-priced generation from a provider using the "Price to Compare." The generation rates offered by marketers are set through private contracts and/or determined through the wholesale electricity market.

The **distribution charge** is for the cost of delivering the electricity to the consumer. It generally covers costs that relate to equipment such as local wires, transformers, and substations. This charge will always be paid

Usually the **generation charge** is the most expensive of the three charges. The charge accounts for the amount of electricity generated at a power plant for the consumer, typically measured in kilowatts per hour (KwH). The generation charge you pay can be compared to generation rates offered by other electricity providers (the utility itself

to the local utility, even if a consumer obtains generation service from a marketer. Distribution charges are set by the Public Utilities Commission of Ohio (PUCO).

Another charge found on an electric bill is a **transmission charge**. The transmission charge is for moving electricity from power plants to the local electric company. The transmission charge is included in the "Price to Compare." Consumers may be able to save money by using their "Price to Compare" to see if they are receiving the lowest generation rates available.

Consumers have the right to purchase electric generation service through the utility or from a certified marketer. All electric marketers must be certified by the PUCO.

By choosing the utility or a competitive electric marketer, consumers have the ability to select who they want to provide their electricity. Consumers will continue to pay their local utility for the delivery of electricity (the distribution charge) to their home. Consumers may decide to continue receiving electricity from their local utility. **It is important to note that participation in electric choice does not guarantee savings. The local utility's standard offer may be the most economical choice.**

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Planning for changes to basic telephone service – what to expect and when

Betty Buckeye is retired and lives in rural Ohio. She subscribes to the most basic landline telephone service at home. She uses her landline for daily calls with her elderly mother. She calls her doctor's office. She phones her drug store to refill her prescriptions. She doesn't make a lot of long-distance calls. She doesn't want or need extra features offered by her telephone company. She likes the security of 911 service and that her phone works even if there is an electric service outage. She doesn't want to pay a lot of money for phone service. "Basic" telephone service meets her needs.

But for Betty and thousands of other Ohioans, basic telephone service might change within the next few years. Under Ohio legislation (House Bill 64, <http://ow.ly/W5cYz>) enacted this year, telephone companies that meet certain conditions might no longer have to offer basic landline service. Instead, customers might be offered cellphone service or a bundled package

that includes phone service and other services customers might not want or need.

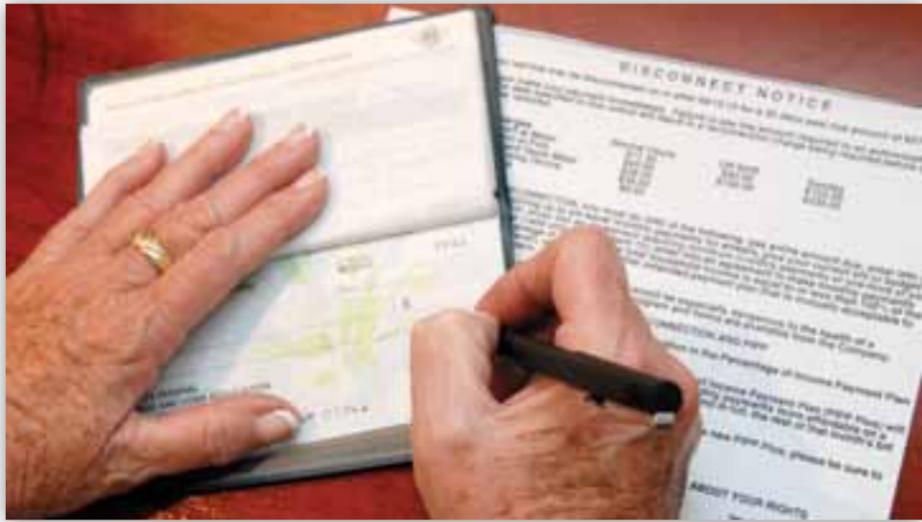
For some rural Ohioans, cellphone signals are spotty or not available. And cellphones are typically used by one person instead of how basic service connects all the phones in a home for everyone's use. Bundled service, which often requires use of cable TV and high-speed Internet access, could substantially increase a customer's monthly bill (if cable and high-speed Internet access are even available to the customer).



In response to the new law, the Public Utilities Commission of Ohio (PUCO) will adopt rules that, among other things, address consumer protection for customers of telephone companies whose basic service might be withdrawn in the future. The PUCO invited

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Stay connected this winter with the Winter Reconnect Order



With winter arriving, utility bills will increase as consumers heat their homes. Understanding your rights when it comes to paying your utility bills during the winter is critical for your family's health and safety.

Your natural gas and electric bills typically rise in the winter, as cold temperatures outside cause us to turn up the heat in our house, apartment, or condominium and use more natural gas or electricity. Keeping utility service connected to heat your home is important, especially in the cold winter months. Stay connected and keep the cold out by using resources that are available to assist you, when it comes to those high heating bills.

The Office of the Ohio Consumers' Counsel (OCC) offers information about assistance programs, via our website (www.occ.ohio.gov), to help consumers stay connected to their utility. These assistance programs include: Fuel Funds, Home Energy Assistance Program (HEAP), Percentage of Income Payment Plan (PIPP), and the Winter Reconnect Order.

In September, the Public Utilities Commission of Ohio (PUCO) issued a Winter Reconnect Order. The Order protects Ohioans in the cold-weather months by providing customers the

opportunity to avoid a disconnection, have their services restored, or establish a new service by making a one-time partial payment.

Generally, customers must pay 100% of their bill to avoid being disconnected or to be reconnected. But the Winter Reconnect Order recognizes the

hardship that disconnections during the winter can cause. Under the Order, utility companies must offer payment plans for customers that have past due charges. If a customer is on PIPP Plus or wishes to re-enroll, they are responsible for making up any missed payments in PIPP Plus default.

The Order went into effect Oct. 19, 2015, and allows customers to partially pay bills without being disconnected. It also permits customers to be reconnected without having to pay their entire past due charges.

The Winter Reconnect Order allows partial payment arrangements and is available to all customers, regardless of income. Consumers must make a one-time payment of \$175 to avoid disconnection during the winter. If a customer has both electric and natural gas service disconnected, the \$175 payment may be divided between the utilities.

Consumers who currently have their electric and/or natural gas services disconnected will be charged a reconnection charge not exceeding \$36. If the utility's reconnection charge is greater than \$36, the remaining balance may be added on the consumer's bill the following month.

Consumers who have a past due bill must contact the utility and sign up for a payment plan in order to avoid disconnection.

There are also several heating assistance programs available to consumers with limited income. One program (Fuel Funds) offers income-eligible consumers funds to pay their electric or natural gas bills. To learn if you qualify for Fuel Funds – low-income assistance with heating bills – visit <http://ow.ly/VYLYU>.

Another program available to consumers with limited income is HEAP. Under this program, income-eligible customers can receive \$175 to pay for heating bills in the winter. Ohioans with household incomes at or below 175 percent of the federal poverty-level guidelines may contact their local community action agency and request funds provided through the Emergency Home Energy Assistance Program (E-HEAP).

You should also be aware that other heating assistance is available all year round through PIPP Plus. This plan allows income-eligible customers to use an extended payment arrangement to pay for utility service. Consumers are required to pay a percentage of their monthly household income (before taxes) to the electric or natural gas utilities, or both.

The Winter Reconnect Order also can be helpful for consumers wanting to remain on PIPP Plus, Graduate PIPP or those wishing to re-enroll in those programs by preventing a disconnection or reconnecting electric and/or natural gas services.

Consumers who have electric and/or natural gas services currently disconnected will not be eligible for PIPP Plus or Graduate PIPP. For more information about other utility assistance programs, please visit <http://ow.ly/VYMbb>.

As winter arrives, take steps to protect yourself and your family by seeking resources that are available to help pay heating bills. Plan ahead. For more information on utility assistance programs and alternative payment plans, visit our website at <http://ow.ly/WeP8T>.

By Myron Goldsmith

Basic telephone service *(continued from page 1)*

written comments on its proposed rules (in Case No. 14-1554-TP-ORD, <http://ow.ly/W4HBA>). The Ohio Consumers' Counsel (OCC) submitted comments (<http://ow.ly/W4HNF>) and reply comments (<http://ow.ly/W4HUB>) for protecting basic service customers. The PUCO will review the comments and issue its rules by March 2016. The public can comment to the PUCO online (<http://ow.ly/W411q>) or by mail (referencing the case number).

It's important to note that no changes to Ohioans' landline service will occur unless the Federal Communications Commission (FCC) allows it, and that is not expected to happen soon. What process the FCC will use in making its decision is unclear.

The new law also required the PUCO to organize a collaborative group (<http://ow.ly/W5eXx>) to identify consumers who might need protection because they lack options for service other than their local phone company. The collaborative

group must also educate customers about alternative services. The legislature named the Ohio Consumers' Counsel as a standing member of this group. Just as OCC participated for consumers in the legislative process, OCC will continue to advocate for consumer protection throughout the collaborative process.

The PUCO has a web page about the collaborative process (<http://ow.ly/W4I9a>) and is accepting public comments on this process online (<http://ow.ly/W4ItO>). The first collaborative meeting was on December 3, 2015, and the next one will be on January 19, 2016 (when the subjects of Consumer Protection, Public Safety, and Consumer Education will be discussed). In this regard, Connect Ohio is a group that provides information (<http://connectohio.org/>) about the availability of broadband service to Ohioans, and it attended the December meeting, among others attending.

Updates on this issue will be posted on our website at www.occ.ohio.gov/landline.

By Sydney Gale



Energy-saving tips for the winter

Energy efficiency can keep money in consumers' wallets. With Ohio households averaging nearly \$2,200 a year in utility bills, investing in energy efficiency can cut those energy bills. Using simple energy tips may lead to big savings for consumers, especially during the winter months when electric and natural gas bills typically rise.

Weatherize your home

There are many ways to save money on your home heating costs. One way is to weatherize your home or apartment. Weatherization can include low-cost improvements like adding weather stripping to doors and windows to save energy. Look for holes, gaps and cracks in your windows, doors and walls. If leaks are found, seal them with sealant or caulking. Adding insulation to pipes can also save money by preventing heat loss.

For consumers who prefer a professional home energy inspection, your first step should be to contact your utility to see if it offers a free or discounted energy audit. For more information about home energy audits, contact the U.S. Department of Energy at 1-800-363-3732 or www.eere.energy.gov.

Special weatherization assistance is available to customers with limited incomes. The Home Weatherization Assistance Program (HWAP) provides income-eligible Ohioans with assistance to improve the energy efficiency of their homes and to reduce energy costs.

Participants in the HWAP program receive a home energy inspection to determine the most cost-effective energy efficiency improvements for the home. After the inspection is complete, a plan for improving the home's energy efficiency is created.

Ohioans with a household income at or below 200 percent of the federal poverty guidelines are eligible for the HWAP program. Priority is given to Ohioans over the age of 60 and those with disabilities. All families who have received assistance any time during the last 12 months under the Supplemental Security Income

(SSI) or Home Energy Assistance (HEAP) programs (excluding Emergency HEAP) are automatically eligible for weatherization services. For more information on HWAP, read our fact sheet at <http://ow.ly/VYPvE>.

Take the bite out of vampire power

Although you may not know it, there are many devices in your home that consume power even when they are not on. Some of the devices include: computers, cell phone chargers, televisions, video game consoles, and printers. In Ohio, approximately \$55 to \$110 per year could be saved on your electric bill if you knew which household electric devices have standby modes and you take action to lower this power use.

With some easy energy efficiency tips, consumers can prevent "vampire power" and save money. One of the easiest ways to prevent wasted energy is using a power strip and turning it off at times, which allows consumers to control vampire power used by multiple appliances. And instead of leaving devices on standby, they can be unplugged to prevent vampire power from taking a bite out of your wallet.

Make your holidays merry (but not too bright)

As the holiday season is near, using tips for energy efficiency might allow you to save on your bills (and have some more money to buy presents!).

One way to save money during the holidays is managing the use of decorative holiday lighting. Using fewer lights or turning them off, such as overnight, may lead to more savings on your next electric bill. Consider using a timer to control when lights are on and off.



Money-saving holiday cooking tips abound. Tips include cooking with a full oven, keeping the oven door closed, eliminating the pre-heating of your oven, keeping oven burners clean, using the microwave and crockpot whenever possible, and using the correct size pot on a stove burner.

There are also tips to save money on utility bills for cleaning after a meal. Scrape off dirty dishes before placing them in the dishwasher. Use colder water to rinse dishes and to wash hands. And use high-efficiency dishwashers that save money by using less energy.

Another way to save energy and money is to lower the temperature in your home. Lowering the setting on your thermostat by five degrees (and wearing your favorite sweater) could save you money during the winter months.

As winter approaches, consumers are encouraged to use these easy tips to save both energy and money. These tips may help keep the monthly bill down during winter months, but may also save money year-round. For more smart energy tips that can save consumers money, visit the Office of the Ohio Consumers' Counsel's website at <http://ow.ly/WePpZ>.

By Myron Goldsmith

Board Member Roland "Butch" Taylor – Consumer advocate, skilled pipefitter and family man

Consumers' Counsel Governing Board Member Roland "Butch" Taylor believes in the importance of community involvement and skilled labor. His passion for his trade came from watching two generations of his family serve as pipefitters/welders. That led him to follow in the family's footsteps for his career.

Mr. Taylor's commitment to skilled labor can be seen also through his dedication and advocacy in the Ohio community. He is a member of many organizations including the Boards of Leadership of the Mahoning Valley and the Youngstown/Warren Regional Chamber of Commerce.

Mr. Taylor also has served in leadership roles in Local 396 of the United Association of Union Plumbers, Fitters, Welders and HVAC Techs. Since 1992, he has held positions with the Local,

including: business agent, executive board member, and union president. His current position there is business manager.

Through his 35 years of service with UA Local 396, Mr. Taylor became interested in educating younger generations about the importance of skilled labor. Pathway to Building Trades is a collaborative program designed to educate young women and minorities, and to help them complete their academic goals for the training and apprenticeship program.

For young people who may be interested in pursuing a career in a skilled trade, Mr. Taylor offered this advice: "The opportunities are endless. Earn while you learn, which means you are working during the day at your profession and going to school at night. Everything

is covered. There is no college debt. The knowledge and education that you receive from your apprenticeship program can translate into a college degree."

Mr. Taylor's passion for educating the public, serving in the labor industry and being a role-model for many positioned him well to serve on the Consumers' Counsel Governing Board where he represents organized labor. Mr. Taylor has enjoyed working with the Board and looks forward to Ohio's energy plans of the future. "Our state is in the middle of positive growth and it will be very interesting to see how it falls in line with the renewable energy, the natural gas (shale), and all the technology that will generate from this."

We thank Mr. Taylor for his dedication to the public and his service on the Board.

By Sydney Gale



Office of the Ohio Consumers' Counsel

"Your Residential Utility Consumer Advocate"

1-877-742-5622 | www.occ.ohio.gov

Consumers' Corner is the newsletter of the Office of the Ohio Consumers' Counsel, the residential utility consumer advocate, serving as a resource for consumers who have questions or would like more information about the services provided by their electric, natural gas, telephone and water utilities.

Bruce Weston, Consumers' Counsel

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Electric utility bill

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For specific information on suppliers and their Energy Choice offers, the PUCO maintains the "Apples to Apples" chart to compare prices. To get a free copy of the "Apples to Apples" chart, call the PUCO at 1-800-299-7271 or visit its website at www.energychoice.ohio.gov.

For more information regarding electric competition, OCC makes available a fact sheet, "Comparing Your Electric Choices," at <http://ow.ly/VYDC1>. The fact sheet contains information about whether or not to leave your utility's service by choosing a marketer for electric generation service.

By Myron Goldsmith



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In This Issue:

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Medical certification can prevent the disconnection of a consumer's utility service

Loss of utility service can be dangerous for consumers, especially those who rely on life-support equipment. Medical certification may prevent a disconnection (or reconnect a utility service).

Medical certification can prevent disconnection of electric and/or natural gas services for missed or late payments. The disconnection can be prevented if it would be life-threatening. But to avoid disconnection under this circumstance, the consumer must have a medical certification filed with the utility.

For consumers who rely on life-support devices or other medical equipment, electric service and access to heat through natural gas service may save their lives. The medical certification – which can ensure uninterrupted utility service – must be signed by a certified medical

professional, and may be used up to three times in a 12-month period.

Medical certifications may also be used to reconnect a utility service that has been disconnected, if the disconnection occurred within 21 days. Certifications are valid for 30 days, and are available from the utility or a public health facility.

Time is of the essence when facing a utility disconnection, and consumers should contact their doctor to ensure the medical certificate is sent to the utility as early as possible. A medical certification does not absolve a customer of the obligation to pay the amount due for gas or electric services.

For income-eligible consumers, other bill assistance options include PIPP Plus (Percentage

of Income Payment Plan), Emergency Home Energy Assistance Program (E-HEAP), and the annual Winter Reconnect Order issued by the Public Utilities Commission of Ohio. The Office of the Ohio Consumers' Counsel (OCC) encourages consumers with medical conditions to plan ahead, such as applying for a longer-term payment plan (if the consumer qualifies) and avoiding the use of medical certifications unless necessary.

For all customers, utilities are required to offer alternative payment plans, which may be available at the local community action agencies.

Medical issues can be a concern when there is a general power outage. Electric utilities take certain factors into consideration when restoring power during an outage. There is no guarantee these customers will receive power immediately.

For more information, check out our fact sheet at <http://ow.ly/W1KFb>.

By Myron Goldsmith