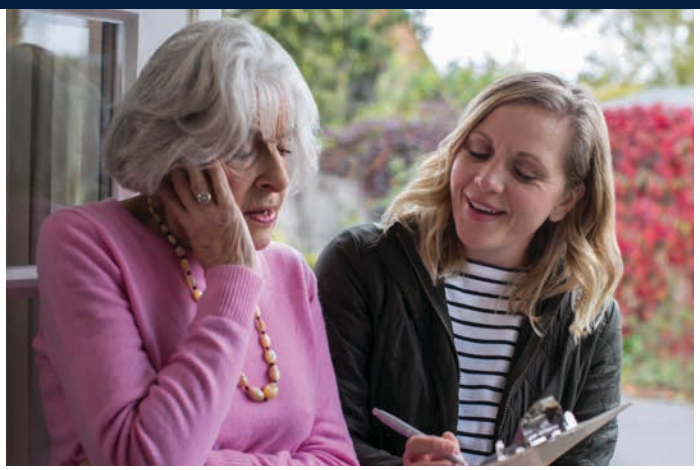
HOW TO MAKE WISE ENERGY CHOICES

Office of the Ohio Consumers' Counsel
"Your Residential Utility Consumer Advocate"
www.occ.ohio.gov



Ohio consumers should be aware that there can be both risks and opportunities when choosing electric and natural gas providers. The Office of the Ohio Consumers' Counsel (OCC) is Ohio's advocate for residential utility consumers and can help with making wise choices about utility services.

Ohio consumers do not have a choice regarding the monopoly utility that provides their energy distribution service—the wires or pipelines. But they can choose the supplier for the electricity or natural gas they use. That energy supply can be obtained from the utility that provides the distribution service (the utility's default rate or standard offer). The energy can also come from an alternative supplier, such as a marketer or government aggregator through the Energy Choice Program.

Electric Choice is available to consumers of AEP Ohio, AES Ohio, Duke Energy, and the FirstEnergy utilities (The Illuminating Company, Ohio Edison and Toledo Edison). Natural Gas Choice is available to consumers of CenterPoint Energy, Columbia Gas of Ohio, Enbridge Gas Ohio (formerly Dominion Energy), and Duke Energy. Energy Choice is not available to consumers of municipal power systems, members of co-ops or participants in the low-income Percentage of Income Payment Plan (PIPP Plus).

Some marketers and governmental aggregators may offer green energy options. Always compare prices when considering these options. Avoid falling prey to "greenwashing"—a deceptive marketing tactic that could under-deliver on green energy and over-charge on price.

Ohio consumers typically have three options for their energy supply:

1. The Utility's Standard Offer

Consumers have the option to stay with or return to the utility for their energy supply. Their utility can provide energy at a default market-based rate called the standard offer, specifically the "standard service offer" for electric and the "standard choice offer" for natural gas.

To determine if their energy is supplied through the utility's standard offer, consumers can check their bill or contact their utility.

The utilities' standard offers are based on competitive auctions. Over the years, these auctions have consistently provided consumers with economical prices.

Whenever there is a change in the standard offer, consumers who choose a marketer may want to review their contracts and consider returning to their utility's standard offer. Before switching suppliers, consumers should always check their current contract for a termination fee that could make switching costly.

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More than ever, consumers need to do careful research by comparing all options before choosing an energy supplier. And consumers should continue to compare their options to make sure they are still saving money.

2. Energy Marketers

As part of Energy Choice, consumers can choose to purchase electric or natural gas from an energy marketer certified by the Public Utilities Commission of Ohio (PUCO). Consumers would then be charged by the marketer for their energy usage. Consumers choosing a marketer continue to use the utility's *distribution service* (wires or pipes) and will be billed for that service by the utility.

Before contracting with a marketer, electric consumers should compare the marketer's rates with their utility's *"Price to Compare"* listed on their electric bill. Natural gas consumers should compare the marketer's rates with their utility's *"Standard Choice Offer"* (SCO) found on the PUCO's Apples to Apples website at www.energychoice.ohio.gov. Consumers can also contact their utility for the SCO. Consumers should also compare the rates and terms offered by various marketers, as well as government aggregation, if applicable.

Beware of websites designed to look like the official site www.energychoice.ohio.gov. Always confirm you are on the PUCO's state site by checking that the web address ends in .gov.

Savings are not guaranteed! Consumers *must* do their homework to avoid overpaying.

Consumers who have chosen their utility's budget billing plan should ask marketers about options before switching.

OCC advises against buying energy from a marketer during a door-to-door sale or at an in-store promotion. Also, consumers should not share personal information, such as their utility bill or account number.

Always Proceed with Caution! There are potential pitfalls with some marketer contracts.

- Watch out for *"teaser"* rates where some marketers initially offer very low rates (the teaser) that are soon replaced by higher rates.
- Beware of *"evergreen"* contracts where the energy contract automatically renews, sometimes at much higher prices.
- Look for *"early termination fees"* that can make it costly to switch to another marketer or return to the standard offer.

What to expect when contracting with a marketer
The consumer will receive a confirmation notice from their utility and they have a grace period of seven days to cancel the contract. Seven days after the confirmation notice, the enrollment will take place. After enrollment, the marketer's charges are usually separately identified on the utility's bill. It may take two to three months for a marketer's billing to appear or be removed from the bill. Sometimes marketers bill consumers directly, instead of using the utility's bill.

Questions to ask when considering Energy Choice:

- ▶ Will I save money compared to my utility's standard offer?
- ▶ How much will I pay for energy?
- ▶ Is the rate fixed, variable or a "teaser"? *(Teasers start low then increase.)*
- ▶ What are the contract terms and conditions? *(Always ask for and keep the contract.)*
- ▶ Is there a fee to cancel (an early termination fee), and if so, how much?
- ▶ How long is the contract term and how will I be notified when it ends?
- ▶ Will the contract automatically renew if I don't act? If so, how is the new price determined?
- ▶ Will the charges appear on my utility bill, or on a separate bill?
- ▶ Who do I contact with billing questions?
- ▶ When will the service begin?
- ▶ What happens if I decide to move?

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Always obtain and keep a copy of the marketer's contract. Make a reminder note or calendar reminder before the end of the contract and ask what the new rate would be if renewed. Automatic contract renewals may come at a high price, it's important to compare the renewal rate and all available options, including the standard offer.

Privacy Rights. Consumers can stop electric and natural gas utilities from sharing personal contact information with energy marketers by contacting their utility and requesting to be placed on the utility's do-not-contact list. Some utilities offer an online option to protect contact information.

For more tips about energy marketers, such as handling door-to-door sales, please visit OCC's *Energy Choice: Know Your Rights* at www.occ.ohio.gov/factsheet/energy-choice-know-your-rights. Learn more about *How to Spot a Bad Apple* at www.occ.ohio.gov/content/how-spot-bad-apple.



3. Government Aggregation

In some parts of Ohio, local governments offer aggregation programs for the supply of electric or natural gas. Voters can authorize their local government, typically through an election, to purchase electric or natural gas on behalf of their residents. Government aggregators use the buying power of many consumers to negotiate prices.

Most government aggregation in Ohio is "opt-out," meaning residents are automatically enrolled unless they choose not to participate (they opt out).

Consumers should compare the aggregation rates and terms with other available options such as the standard offer, as well as offers from energy marketers.

Consumers are advised to read all communications from aggregation groups and local governments to learn about rates, contract terms, and the opt-out process. Visit OCC's aggregation web page for more information at www.occ.ohio.gov/aggregation.