



Office of the Ohio Consumers' Counsel

Your Residential Utility Consumer Advocate

CONSUMER FACT SHEET

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HOW TO MAKE ENERGY CHOICES WISELY

ENERGY CHOICE 101

Ohio consumers should be aware that there can be greater risks than opportunities for their hard-earned money when purchasing electricity and natural gas from energy marketers. The Office of the Ohio Consumers' Counsel (OCC) is the residential utility consumer advocate and can help consumers make wise choices about utility services.

Consumers do not have a choice for the monopoly utility that provides their distribution service for infrastructure through wires and pipelines. But consumers can choose who supplies their electricity or natural gas (energy) that runs through those wires or pipelines. That includes a choice of buying energy from their utilities through their competitively-priced "standard offer."

Utility consumers who are current with their utility bills are eligible for energy choice programs. Electric choice is offered to consumers of AEP Ohio, Dayton Power & Light, Duke Energy, and the FirstEnergy utilities. Natural gas choice is offered to consumers of Columbia Gas of Ohio, Dominion Energy, Duke Energy, and Vectren 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 that some consumers may prefer. As always, compare prices.

Consumers have up to three options for energy choice:

1. Staying with the Utility's "Standard Offer"

Alert: Given current prices, the utilities' "Standard Offers" are likely the best option for consumers to save money on natural gas.

Consumers always have the option to stay with their utility for energy. Their utility can continue to supply their energy at rates for the "Standard Choice Offer" (natural gas) or the "Standard Service Offer" (electricity). Utility standard offer rates are set by competitive

auctions that have been producing economical prices.

Especially with regard to buying natural gas, the utility's standard offer is beneficial as a conservative approach for consumers to save money. Most marketer offers for natural gas are more expensive than the natural gas utility's standard offer. The electric utility's standard offer remains a conservative approach for consumers to economically purchase electricity. There are more opportunities for consumers to save money with marketer offers for electricity than with natural gas, but the risk remains for losing money.

Consumers can confirm if they are currently buying energy from their utility's standard offer by contacting their utility or reviewing their

Marketer Offers May Lose You Money

If you consider buying energy from a marketer, first ask the following questions:

- ▶ Will I save money compared to my utility's standard offer?
- ▶ Is the marketer's offer a low priced "teaser" rate that will soon increase?
- ▶ How long is the agreement?
- ▶ How much will I pay for energy?
- ▶ Is there a fee to cancel my agreement?
- ▶ At the end of my agreement, will it automatically renew?
- ▶ If my agreement automatically renews, will the new rate be higher?
- ▶ If I have a billing problem, who should I contact?
- ▶ What are the terms and conditions of the agreement? (Always obtain, and keep, a copy of the agreement.)
- ▶ What happens if I decide to move?
- ▶ When will my marketer service begin?

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The Office of the Ohio Consumers' Counsel (OCC), the residential utility consumer advocate, represents the interests of 4.5 million households in proceedings before state and federal regulators and in the courts.

The state agency also educates consumers about electric, natural gas, telephone and water issues.

For more information, please visit the OCC website at www.occ.ohio.gov.



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monthly bill. And consumers can contact their utility to switch from a marketer offer to the utility's standard offer.

2. Energy Marketers

As part of energy choice, consumers can purchase natural gas or electricity from an energy marketer that is certified by the Public Utilities Commission of Ohio (PUCO). Consumers would pay the marketer for the cost of the energy they use and would continue to pay their utility for using its pipelines or wires to deliver the energy.

Before contracting with a natural gas marketer, consumers should compare the rate offered by the marketer with their utility's "Standard Choice Offer." Electricity consumers can check the "Price to Compare" that appears on their electric bill. Comparing a marketer's offer to the utility's standard offer is more complicated for consumers who subscribe to a utility's budget billing plan. The PUCO has information on all Ohio marketers' energy plan prices at energychoice.ohio.gov.

Alert: We recommend that consumers not buy energy from a marketer during a door-to-door sale, especially during the pandemic.

Be wary of "teaser rates." Many marketers offer low "teaser rates" that shoot up after a short time. If a consumer agrees to a marketer's contract, the consumer will receive from their utility a confirmation notice. Consumers have seven days to cancel a marketer's contract, after receiving the utility's notice. Seven days after the confirmation notice, without a cancellation, the enrollment will take place. After enrollment, most consumers will see the marketer's charges separately identified on their monthly utility bill. It may take up to two to three months for a

marketer's billing to appear or be removed from a customer's bill. Consumers should note that some marketer contracts have an Early Termination Fee to pay, if the consumer switches before the contract ends.

You have the right to stop electric and gas utilities from sharing your personal contact information with energy marketers. You can call your utility to enforce that right. For more tips about energy marketers, such as dealing with door to door sales, please visit OCC's "[Block the Knock](#)" page.

3. Governmental Aggregation

In some parts of Ohio, government aggregation is another option for purchasing natural gas or electricity. Under government aggregation, communities can authorize the local government, typically through an election, to supply electricity to their residents. Governments use the buying power of many customers to negotiate prices.

There are two methods of enrollment. "Opt-out" aggregation automatically includes each customer in the aggregation unless the individual decides not to participate (known as opting out). "Opt-in" aggregation requires each consumer to agree to participate in the program before being included in the aggregation.

As with buying from energy marketers, consumers can compare the government aggregation rate with the Standard Choice Offer (natural gas) and the Standard Service Offer (electricity).

Consumers should open any mail from aggregation groups and local governments to learn about aggregation opportunities, including their right to opt out or opt in. Visit [OCC's aggregation web page](#) for more information.