

Electricity Pricing Questions and Answers

Q. Who am I buying my electricity from?

- A. If you are participating in your community's governmental aggregation, your supplier is FirstEnergy Solutions or FES. They are an affiliate or sister company to Toledo Edison.

Q. So I am not buying from Toledo Edison?

- A. Not if you are participating in the governmental aggregation. Toledo Edison still bills you for the electricity but they are billing you on behalf of FirstEnergy Solutions or FES.

Q. How do I know if I am participating in the governmental aggregation?

- A. The only way to be certain is to call FES at 1-866-636-3749 and ask. If you don't want to do that then there are a few spots to look on your bill. The best spot to figure it out is to look at right hand column of the bill. There are six grey rectangles. The fourth grey rectangle in that column will be titled "Charges from FirstEnergy Solutions Corp". If you are residential customer participating in the governmental aggregation then underneath that rectangle there will be the words "Rate: FES-0940".

Q. What price am I paying for electricity now?

- A. If you are participating in the governmental aggregation and a residential consumer you are paying 6% less than the Price to Compare or PTC.

Q. What is a Price to Compare or PTC?

- A. The Price to Compare or PTC is the price that the utility would charge for electricity if you were purchasing it directly from them rather than a third party supplier.

Q. What is the current PTC?

- A. Since you are connected to Toledo Edison the September 2012 Price to Compare for residential customers is 6.777 cents per kilowatt-hour or kWh. Beginning October 1st the PTC will drop to 5.812 cents per kWh.

Q. So if I am participating in the governmental aggregation I am paying less than the PTC?

- A. That right. Residential customers participating in the governmental aggregation are paying 6% less than the PTC's. For instance in October through December your price would be about 5.463 cents per kWh.

Q. Does that price I am paying change?

- A. Yes. Toledo Edison or FirstEnergy as they are now called, have different generation prices for the summer months (June through September) and winter months (October through May). The Public Utilities Commission of Ohio or PUCO also permits Toledo Edison/FirstEnergy to recover their costs from three generation related riders. These riders can change 4 times per year.

Q. I have been getting calls or letters about my electricity supply can I switch from the governmental aggregation to one of these offers?

A. Yes. Switching is permissible. FES can charge residential consumers a \$25 to termination fee.

Q. Is there a time when I could get out of the governmental aggregation without paying this fee?

A. Yes. When you get the letter from your community about potentially participating in the governmental aggregation if you opt-out there would be no termination charge at that time.

Q. How often does that letter get sent to me?

A. About every three years. The next large opt-out mailing will likely be sent in March or April 2014.

Q. Should I sign up for one of these other price offers or stick with the aggregation?

A. That is a difficult question to answer. It depends upon your individual situation and the offer you are considering. If you are considering a switch read all the terms and conditions of the offer. You are entering into a contract and have much higher termination charges than the governmental aggregation.

Q. FirstEnergy Solutions just sent me a long term fixed price offer of 6.99 cents per kWh. I like to know what I am paying. Should I take that offer?

A. Perhaps but your community is not recommending it. A long term fixed price protects you if power prices increase. However, starting in October you will be paying less than 5.5 cents per kWh for a number of months. You need to determine if knowing what you are paying and the protection from future potential increases makes it worth the premium you would be paying compared to the current pricing.

Q. So are power prices going to increase?

A. They are highly likely to increase over the term of the FES fixed price offer but there are a number of things you may want to consider: Am I going to be living here that long? What portion of my electricity is used in June through September? The higher the summer use percentage the more likely I am to benefit. If the price increases, will it go higher than the fixed price offered? If my governmental aggregation price is going to go higher than 7 cents per kWh, will it stay there? Will it go high enough for me to recover the extra I am paying now for electricity? If I want to get out what would I have to pay to terminate the deal? There are a lot of things to think about.

Q. Why should I stay with the governmental aggregation?

A. If you don't want to do the homework necessary to stay current on this subject remaining in your community's governmental aggregation probably makes sense. Your community has spent time understanding the subject and participates with other Northwest Ohio communities in something called the Northwest Ohio Aggregation Coalition or NOAC. There are over 140,000 residential and over 13,000 commercial consumers that are participating. The communities attempt to get the best deal possible for participants and have saved participants in excess of \$58 million since its inception in 2000.