

Statement on Anderson Township Electric Aggregation Program:

Most Anderson Township residents have received or will receive the renewal letter in the next couple of days regarding the Electric Aggregation program, so we wanted to make sure everyone understands what is happening.

On November 8, 2016, 81.23% of voters approved a ballot measure authorizing the Board of Trustees to form an opt-out electric aggregation program. "Opt-out" aggregation is a program that automatically enrolls all local residents, unless they individually opt-out of the program and choose not to be included.

Currently, Anderson Township residents who are enrolled in the program are paying \$0.07145/kWh through the May 2025 meter read. Duke Energy's residential "Price to Compare" for the generation supply portion of your bill for the period of November 1, 2024 to March 31, 2025 is \$0.0818/kWh. This rate is lower by more than one cent per kWh and has consistently been lower since the program was introduced and voted on by residents in 2016.

The intent of the program remains the same today: to use the buying/usage power of over 16,000 households to get the best energy rates possible for our residents. Unfortunately, the price of energy is going up and it's projected to increase significantly. In an effort to try and minimize the impact to as many of our residents as possible, the Township once again engaged Energy Alliances to lock in the best possible pricing and chose Dynegy as the electricity provider. Dynegy's pricing compared to other suppliers has historically been competitive and their service has been excellent. The Township's contracted rate starting in May 2025 and running until May of 2026 will be \$0.0986/kWh. Duke Energy rates will also reset at the end of April, and it is estimated that their rate will be over \$0.10/kWh.

Given these higher rates, the Township chose to enter into a one year contract in the hope that energy prices will drop and better rates can be obtained later this year or early next. Please note that residents in the aggregation program can opt out of the program at any time and there is no fee to do so. It should also be noted that Anderson Township government does not receive any revenue share or any type of fee(s) as part of this program.

Should you wish to explore other programs, EnergyChoiceOhio.gov offers an "Apples to Apples" tool to compare alternate supplier plans, costs and contract terms.

A note about the PUCO Apples to Apples from Energy Alliances:

- 1. The PUCO maintains a marketplace for electricity and gas retailers to offer rates alternative to the utility or a community's aggregation rates. While this offers residents the ability to "shop" rates across dozens of suppliers, there can be pitfalls, so be aware of the consequences of choosing your energy provider in this manner.*
- 2. You must be aware of contracted dates, term and conditions and any correspondences that come your way. If you miss the contract termination date, there is a chance that you spend some time paying an escalated rate until you realize that it has taken effect. Community aggregations are not permitted to raise your rate without your local government approval.*
- 3. Sometimes there are offers that are attractive, how do you compare that to the rate you have now? Make sure the term of the contract is the same as your current rate. Does it start and end at the same time? If it does not, other factors may make the offer that looks attractive, make that offer worse.*

4. *There are lower rates from the same supplier on that list, why didn't my community choose that offer? Aggregation pricing is custom bid for each community. When you see a rate on the PUCO marketplace, that offer may not be intended for more than a few dozen customers. A supplier will purchase generation (electric) specifically for the purpose of an introductory offer to get you in the door. Those offers have a cap of customers as soon as that energy is sold out, the offer comes off the board or you will be directed to another offer.*

Can you get a better rate from the marketplace/ Yes, sometimes, but you need to be aware of the conditions of the offer so you do not get burned. Many residents find it easier to go with the aggregation as opposed to constantly watching the market.

Regarding electric charges in the utility bill, they are divided in two categories, distribution and generation. Distribution charges cover the infrastructure and services needed to deliver electricity to homes and businesses, including power lines, substations, billing, and customer support. They are separate from the generation charges in the aggregation program. Customers continue to pay these costs to their utility company, even if they participate in an aggregation program. Generation charges are the costs associated with the generation and supply of electricity.

If you are in the aggregation program you will see CHOICE SUPPLIER ENERGY CHARGE listed in example below.

Billing Period - Feb 05 25 to Mar 04 25	
Meter - 108242434	
Duke Energy Delivery	
Service Delivery	
Distribution-Customer Charge	\$8.00
Distribution-Energy Charge	
2,300.182 kWh @ \$0.03969300	91.31
Delivery Riders	71.03
Generation Riders	4.94
Total Delivery Charges	\$175.28
Dynegy Energy	
Choice Supplier Energy Charge	
2,300.182 kWh @ \$0.07145000	164.35
Total Current Charges	\$339.63

If you receive Duke Energy's standard offer, the four Riders listed under Generation Charges, when combined, make up the Price to Compare. In the example below, they are:

1. Rider RC (Retail Capacity Rider recovers the cost of generation capacity purchased in the Competitive Auctions).
2. Rider RE (Retail Energy Rider) recovers the cost of energy purchased by Duke Energy Ohio in the Competitive Auctions.
3. Rider AER-R (Alternative Energy Recovery Rider) recovers Duke Energy Ohio's costs of complying with the State of Ohio's Alternative Energy requirements.

4. Rider SCR (Supplier Cost Reconciliation Rider) ensures that Duke Energy Ohio recovers 100% of the cost it incurs in procuring energy and generation capacity for its generation customers through Competitive Auctions.

Billing details - Electric

Billing Period - Jun 09 23 to Jul 10 23	
Meter - [REDACTED]	
Duke Energy Delivery	
Service Delivery	
Distribution-Customer Charge	\$8.00
Distribution-Energy Charge	
831.788 kWh @ \$0.03969300	33.01
Delivery Riders	17.91
Generation Charges	
Retail Capacity Rider (RC)	3.64
Retail Energy Rider (RE)	81.36
Alternative Energy Recovery Rider (AER-R)	0.40
Supplier Cost Reconciliation Rider (SCR)	\$-2.75
Generation Riders	0.44
Total Current Charges	\$142.01

Selecting an energy supplier can be confusing so if you have any questions or would like your bill explained to you in more detail, please call our consultant Energy Alliances Inc. (513)794-5555. They will be happy to answer any questions.