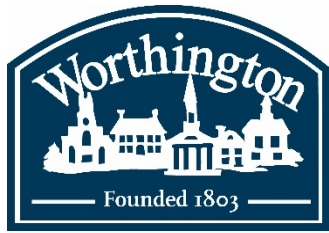




City of Worthington Aggregation 101

August 28, 2108





Aggregation Overview

- **What is a Municipal Aggregation Program?**

A Municipal Aggregation allows communities to form a buying group on behalf of their citizens with the intent that a larger buying group may acquire better pricing, unique products (i.e. 100% Renewable) and more favorable terms and conditions for the citizens than if the citizens would shop on their own.

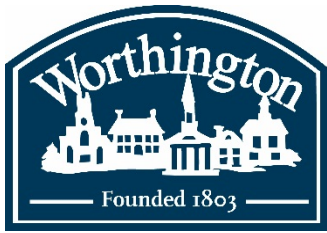
- **Who Governs a Municipal Aggregation Program?**

The Public Utilities Commission of Ohio (PUCO) has developed strict guidelines for forming and running a Municipal Aggregation Program.

- **Who Can Create a Municipal Aggregation Program?**

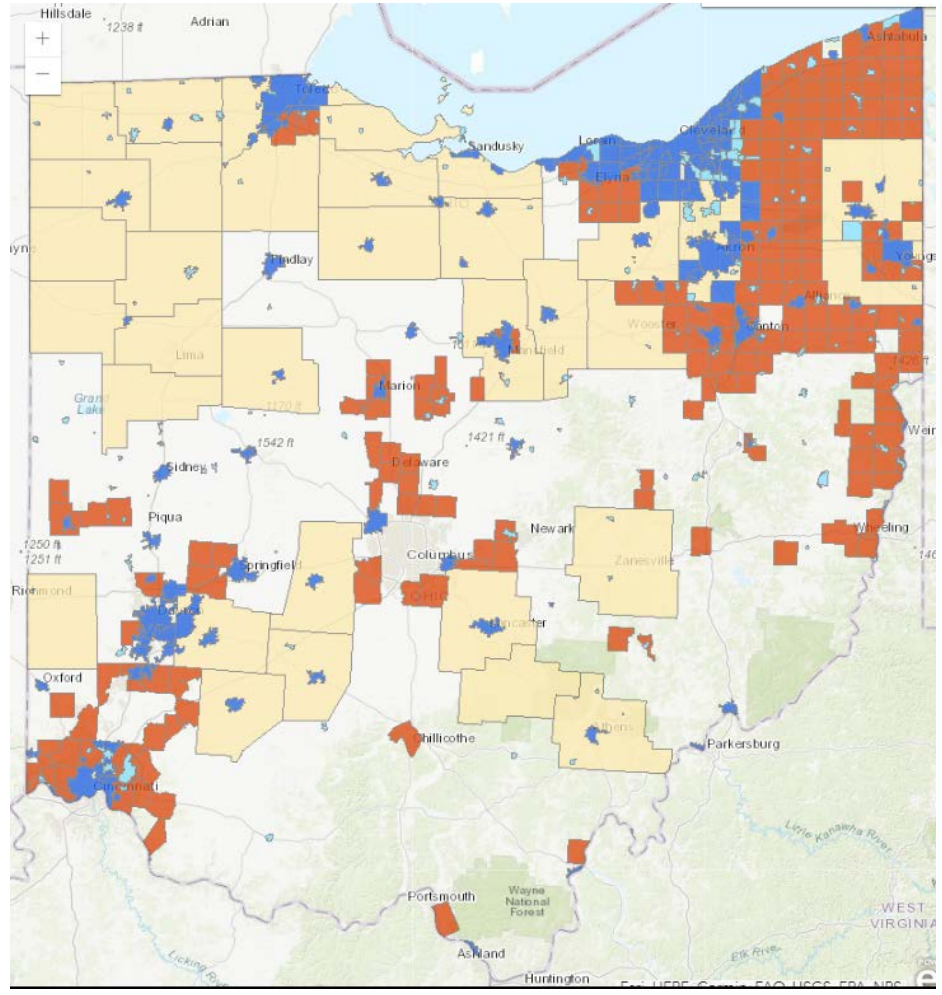
Townships, Villages, Cities and Counties.





Communities Certified to Aggregate Electricity

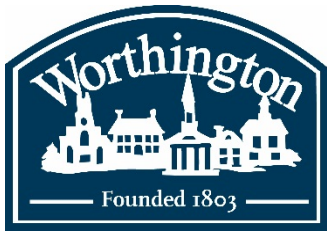
More than 400 buying groups are certified to aggregate in Ohio



Legend

- Electric Government Aggregators
- Municipal Electric Aggregators
 - City
 - Village
- Township Electric Aggregators
- County Electric Aggregators





Milestones of an Opt-Out Aggregation Program

- The governing body of the municipality must place the issue on the ballot of a general, primary or special election.
- The ballot initiative must pass by a simple majority of voters.
- Once the ballot initiative has passed, the municipality:
 - Develops a Plan of Operation and Governance
 - Holds public hearings to discuss/revise the Plan
 - Adopt the Plan of Operation and Governance
 - Chooses a supplier
- Notifies residents about the program and gives them 21 days to decide if they want to participate
- At the end of the 21-day notification period, the program goes into effect





Who is Eligible?

Only members of the community that meet a set criteria are eligible to receive letters during the 21 day “opt-out” window.

These Residents are NOT eligible...

- **Those who are currently with another electric supplier**
 - Since they chose to shop on their own they are not included as part of the “opt-out”
- **Those enrolled in the Percentage of Income Payment Plan (PIPP)**
 - Those that have budget billing/ agreement with the utility are still eligible
- **Those that have previously opted out of program**
 - They could have opted out in a previous “opt-out” window or through the “Do Not Aggregate” list that PUCO maintains.

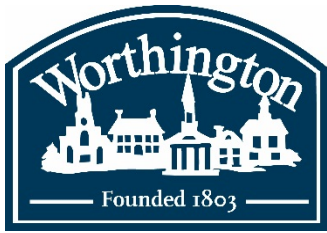




What Changes with Electric Service?

- AEP Ohio will continue to deliver electricity to homes or businesses, so they should be contacted for any questions or issues related to losing power or the “AEP Ohio Charges” portion of the bill.
- Residents will continue to receive one bill from AEP Ohio with only one section of the bill changing to reflect the new supplier charges (see next page for a sample bill image).





Bill Copy (with an alternate supplier)

Sample of Page 3 of AEP Bill when customers are with a supplier (i.e. on an aggregation)

AEP Ohio

Service Address:
[Redacted]

Account # [Redacted]

Line Item Charges:

Previous Charges	
Total Amount Due At Last Billing	\$ 355.54
Payment 12/14/17 - Thank You	-355.54
Previous Balance Due	\$.00*
Current AEP Ohio Charges	
Tariff 820 - Residential Service 12/15/17	
Service Delivery Identifier	[Redacted]
Transmission Service	\$ 39.48
Distribution Service	80.91
Customer Charge	6.40
Retail Stability Rider	1.54
Deferred Asset Phase-In Rider	3.93
Power Purchase Agreement Rider	4.44
Current Electric Charges	\$ 140.70*

[Redacted]

Supplier Account Number	[Redacted]
Service Delivery Identifier	[Redacted]
Energy Charge \$0.0543/kWh	\$ 124.51
Current Supplier Balance Due	\$ 124.51*

[Redacted]

Total Balance Due	\$ 265.21
*Previous bills make up the "Total Balance Due"	

Usage Details:

↑ Values reflect changes between our next month and previous month.

Usage	Avg. Daily Cost	Avg. Temperature
↑ 638 kWh	↑ \$0.66	↑ 15 °F

Total usage for the past 12 months: 21,220 kWh
Average (Avg.) monthly usage: 1,768 kWh

Meter Read Details:

Previous	Type	Current	Type	Metered	Usage
85433	Actual	87748	Actual	2285	2,299 kWh
Service Period 11/09 - 12/15					Multiplier 1

Next scheduled read date should be between Jan 12 and Jan 17.

Notes from AEP Ohio:

Price-to-Compare: For tariff 820, in order for you to save money off of your utility's supply charges, a supplier must offer you a price lower than AEP Ohio's price of \$0.059 per kWh for the same usage that appears on this bill. To review available competitive supplier offers, visit the Public Utilities Commission of Ohio's "Energy Choice Ohio" web site at www.energychoice.ohio.gov.

For Informational Purposes only: The below costs are NOT NEW CHARGES and are approximate values. AEP participates in programs required by the state of Ohio to support energy conservation and to secure renewable energy resources. For more information on energy efficiency programs, please visit aep.ohio.com/8xYourPower.

Renewable Programs: \$1.79
Energy Efficiency Programs: \$5.66
Peak Demand Reduction Programs: \$2.15

In Case No. 13-2385-EL-SSO, the Public Utilities Commission of Ohio approved adjustments to Ohio Power Company's gridSMART Phase 2 rider. This rider allows the Company to recover costs for grid modernization projects. A residential customer will see an increase of \$0.21 per month.

In Case No. 12-2627-EL-RDR, the PUCO approved an adjustment to increase the Distribution Investment Rider, effective with this bill. This rider, which is adjusted quarterly, recovers capital costs associated with distribution infrastructure. A residential customer using 1,000 kWh per month will see an increase of \$0.32 per month.

As a participant in the AEP Ohio Customer Choice Program, your electric energy is being supplied by [Redacted]. This bill reflects AEP Ohio charges for delivery of the electric and all electric energy supply charges AEP Ohio has received from your supplier as of the Billing Date shown on this bill. For questions about your electric energy supply charges please contact Capital Energy at (855) 374-4443. Please note that failure to pay charges for competitive retail electric services (CRES) may result in loss of those products and services, the cancellation of your contract with the CRES provider and your return to AEP Ohio's Standard Offer or energy supply services.

Due date does not apply to previous balance due.

Supplier Message(s)

We appreciate your business.

End Supplier Message(s)

To avoid unnecessary delays in crediting your electric payment, please do not paper clip or staple your check to the bill payment stub.

"If you pay your electric bill in person, remember to pay only at AUTHORIZED pay stations. These locations send notice of your payment immediately to AEP Ohio, which could prevent service disconnection. Pay stations may charge a fee for this service. Keep your receipt as proof of payment. For a list of authorized pay stations or other payment options, visit our website at www.aep.ohio.com or call the number above."

Supplier Account Number	[Redacted]
Service Delivery Identifier	[Redacted]
Energy Charge \$0.0543/kWh	\$ 124.51
Current Supplier Balance Due	\$ 124.51*

- A single line item showing the aggregation price and charges for the supplier portion of the AEP Bill.





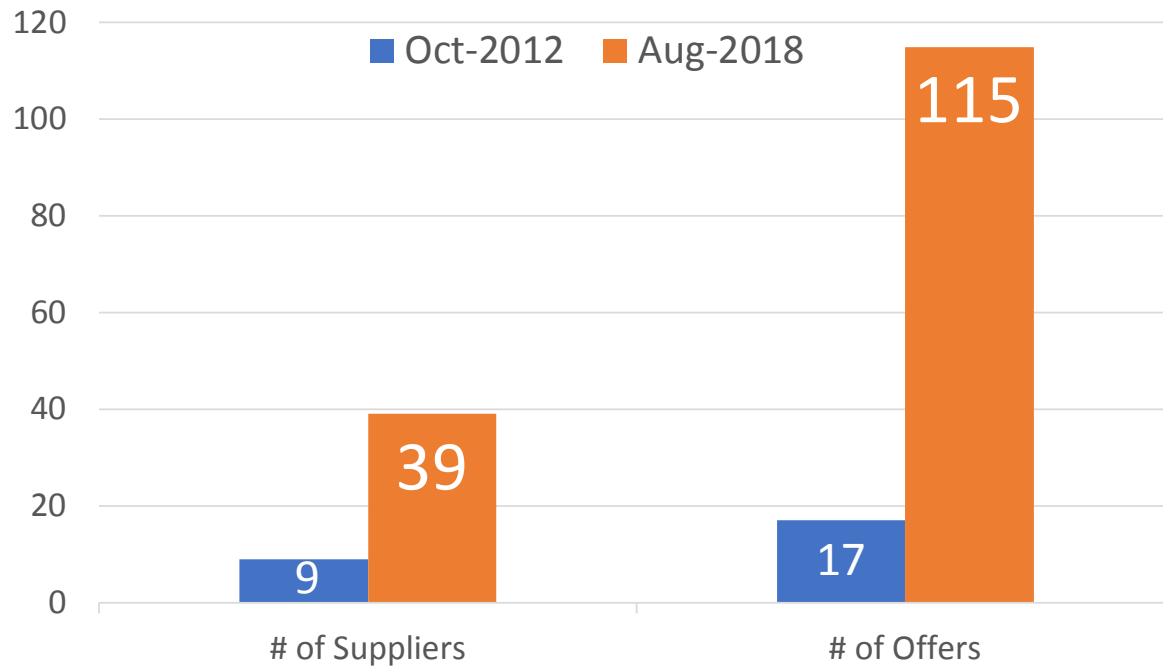
Shopping can be Overwhelming

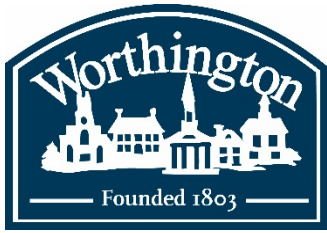
- Shopping can be overwhelming for residents to do on their own.
- 118 electric offers in the AEP service area in May 2018. Up from just 17 offers in October 2012.



- Aggregations make the process of shopping simpler and transparent.

Available Number of Electric Offers and Suppliers in the AEP Service Area



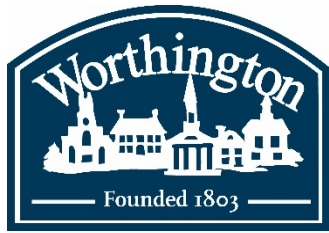


Aggregations: Beyond Price...

- Aggregation is about entire value of program
 - Give residents a simpler energy solution including...
 - Price
 - Terms and Conditions
 - No Termination Fees
 - “Revolving Door” for entering/leaving program
 - Ability to add additional Renewable Energy

- Benchmarks are always moving so offers a level of certainty.





Energy Aggregation IS...

- Free to Participate!
- Simpler customer choice
- Options for residents to choose
 - Typically better prices than shopping alone
 - Better terms and conditions
 - Cheaper renewable energy
- Price certainty vs. utility rates

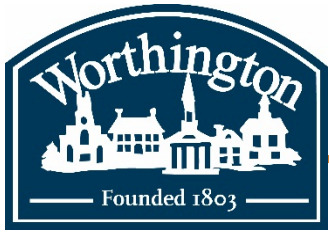




Energy Aggregation IS NOT...

- Mandatory
 - Residents can opt-out of program
- Always better than current market offers months/years later
 - Electricity prices are a commodity
 - Should be very competitive at start of program





Final Thoughts

- **Vote and Get certified!**
- Reminder: Communities control the program
- Don't chase price alone
 - Commodity market always changing
 - Look for best value at start of program

