Frequently Asked Questions: Cincinnati Electric & Natural Gas Aggregation Program

In 2011, voters approved a ballot initiative to allow the City of Cincinnati the ability to negotiate on behalf of its citizens and small businesses for a favorable price from suppliers of electricity and natural gas. Below is a list of Frequently Asked Questions to provide more information on the Cincinnati Electric, and Natural Gas, Aggregation Programs.

1. **What is Aggregation?**
   Aggregation allows the City of Cincinnati to competitively bid electricity and natural gas service on behalf of all eligible residential and small business customers. By combining and bidding (aggregating) the electric and natural gas load of eligible customers, these customers are able to obtain better pricing compared to the Duke Energy standard rate.

   Importantly, the City has an aggregation program for both electric and natural gas service, but because electric and natural gas service are very different, the two programs are served by different suppliers and have different terms and conditions. The fact that electric and gas have to be treated separately means also that customers participate separately and they will receive separate opt-out mailings specific to electric or natural gas service.

   Due to cost savings achieved through the electricity program, Cincinnati has been able to provide 100% green electricity to participants since 2012. In 2017, Cincinnati became the first aggregation program in the country to provide a green natural gas from renewable sources in the country.

2. **Do I have to participate in the program?**
   The City's program is an "opt-out" program, which means that eligible customers are notified by the supplier and must decline if they do not want to participate. If they do nothing upon notification, they will be included in the aggregate customer base, and realize the savings the City has negotiated on their behalf. If customers do choose to "opt-out" they may choose another competing supplier, or continue to receive electric and natural gas supply from Duke Energy at the standard rate.

3. **What does it cost to participate in the program?**
   There is no cost for enrollment in the program.

4. **Will I still receive a bill from Duke?**
   You will still receive one bill from Duke and issue one payment to Duke. Duke will still provide assistance to your gas and electric service if there is an issue. The aggregation program only affects your supply of electricity and natural gas. Your Duke bill will clearly indicate which charges relate to delivery and
which relate to electric and gas supply and generation. A contact number for questions related to your service will be included on every bill.

5. **If I join the aggregation, can I stay on budget billing?**
   Yes, you can remain on budget billing.

6. **Can I still have my payment automatically deducted from my checking account as I do now?**
   Yes. How you pay your utility bill will not change.

**Cincinnati Electric Aggregation FAQs**

1. **Who is eligible to participate in the electricity program?**
   With certain exceptions, all residential and non-residential customers located within the City of Cincinnati and use less than 700,000 kilowatt-hours per year are eligible to be included in the electric aggregation program. However, customers on Duke Energy-Ohio’s PIPP program, as well as customers that are currently behind in their payments to Duke, will not be included in the program. Also, eligible customers who are currently receiving electric supply from a competitive supplier will not be automatically enrolled in the program, but may elect to participate subject to the terms and conditions of their current supply agreement.

2. **Who will be the supplier for the program?**
   The City has chosen Dynegy Energy Services as the electricity provider for the City. Dynegy currently serves over 931,000 residential customers and 41,000 commercial and industrial customers throughout Pennsylvania, Illinois and Ohio. They own and operate 50 power plants in eight states totaling approximately 31,500 megawatts (MW) of generating capacity. They provide generation for 17 local aggregation programs in the Duke Energy Ohio territory. For questions concerning the electric aggregation program, please call 855-326-0520 or go to [www.dynegy.com/cincinnati](http://www.dynegy.com/cincinnati)

3. **How do I participate?**
   If you are a member of the current electric aggregation program or receive your electricity supply from Duke Energy Ohio, do nothing. Dynegy will send out an opt-out letter on behalf of the City to eligible customers. This letter will detail the program offer. If you decline to participate you may send back the mailer to Dynegy informing them you wish to opt out. If you do nothing, 21 days after opt out period ends you will receive a letter from Duke Energy stating your electricity supplier has been switched to Dynegy. Again, do nothing. You will be enrolled in the Cincinnati Electric Aggregation Program beginning with you electricity meter read for May 2017. Initial opt-out letters will be arriving to eligible participants around March 25. Periodic opt-out opportunities will occur on a biannual basis. If you wish to join outside of an opt-out time period please contact Dynegy Energy at 855-326-0520.
4. **How much will I save if I participate in the program?**
   Under the Cincinnati Electric Aggregation Program, the price you pay for electric generation supply is expected to be lower compared to Duke. The current Duke Energy Ohio price-to-compare is $.0615 per kilowatt hour. The electric aggregation program has a fixed stepped-down rate that lowers over time.

   **Year 1:** $0.0557 per kWh  
   Average annual savings to residents*: $84

   **Year 2:** $0.0541 per kWh  
   Average annual savings to residents*: $107;

   **Year 3:** $0.0509 per kWh  
   Average annual savings to residents*: $144;

   Over the course of the three year program, an estimated $12.75 million dollars is expected to stay in Cincinnati and in participants’ pockets. *Annual savings will vary based on consumption of electricity. These savings projections are based on the current Duke SSO rate of $0.0615 and an average residential use of 1,200 kilowatts per month.

5. **Is the electric aggregation program really 100% green energy and how do you know?**
   Yes, the Cincinnati Electricity Aggregation program is 100% green. This is obtained by purchasing renewable energy credits (RECs) to offset the consumption of electricity by program participants. The credits are generated, 1 REC for every megawatt of power produced, from clean energy sources such as wind, solar or hydro. Dynegy buys the REC’s on the market and retires them on our behalf. Purchasing RECs is the generally accepted way for large loads, such as ours to be 100% green. The City of Cincinnati requires Dynegy to submit annual reports documenting the procurement and retirement of RECS on behalf of this program.

6. **Is your price for residential power fixed, or does it vary?**
   This is a fixed price program. The price of electricity will drop each year as shown above.

7. **Is there a fee to leave the Cincinnati Electric Aggregation Program?**
   Dynegy will not charge you a fee if you choose to leave the electric aggregation program once enrolled.

8. **What if I have an existing contract with another electricity provider?**
   If a customer does have a contract with another electricity provider, and wishes to become part of the City's aggregation program, they should review the provisions of the contract to determine their options, as the terms of each contract can vary and could include a cancellation fee from the other provider. If customers sign contracts for a provider other than Dynegy in the meantime, they will not be eligible for the rates the City has negotiated.
Cincinnati Natural Gas Aggregation FAQs

1. **Who is eligible to participate in the program?**
   With certain exceptions, all residential and non-residential customers within the City of Cincinnati and use less than 500,000 100 cubic feet (ccf) per year of natural gas at a single location, are eligible to be included in the aggregation program. However, customers on Duke Energy-Ohio's PIPP program and customers that are currently in arrears in their payments to Duke will not be included in the program. Also, eligible customers who are currently receiving their natural gas supply from a competitive supplier will not be automatically enrolled in the program, but may elect to participate subject to the terms and conditions of their current supply agreement.

2. **Who will be the supplier for the program?**
   The City has selected Constellation NewEnergy – Gas Division, LLC. to provide natural gas services for eligible citizens and small businesses. For questions concerning the natural gas aggregation program, please contact Constellation toll-free at (844) 830-3336 or online at www.constellation.com/oh-cincinnati. Constellation customer service representatives are available 24 hours a day, seven days a week.

3. **How do I participate?**
   If you are a member of the current natural gas aggregation program or receive your natural gas supply from Duke Energy Ohio, do nothing. Constellation will send out an opt-out letter on behalf of the City to eligible customers. This letter will detail the program offer. If you decline to participate you may send back the mailer to Constellation informing them you wish to opt out. If you do nothing, 21 days after opt out period ends you will receive a letter from Duke Energy stating your natural gas supplier has been switched to Constellation. Again, do nothing. You will be enrolled in the Cincinnati Natural Gas Aggregation Program beginning with your natural gas meter read for October 2017. Initial opt-out letters will be arriving to eligible participants around March 25. Periodic opt-out opportunities will occur on a biannual basis. If you wish to join outside of an opt-out time period please contact Constellation at (844)830-3336.

4. **How much will I save if I participate in this program?**
   It is very difficult to predict savings due to the variable nature of the natural gas market. However, in 2016 the average residential customer saved 11.6% compared the basic Duke Energy Ohio natural gas utility rate. eligible account holder will be enrolled in the Monthly Variable Rate option, which means that their natural gas price will vary monthly based on the New York Mercantile Exchange price for natural gas plus $0.1217 per ccf. The Monthly Variable Rate option has been used by Cincinnati’s Natural Gas Aggregation Program since the program began in 2012.
5. **When will I begin to receive service under this program?**
   The natural gas supply that the City negotiated with Constellation began October of 2017 and expires in October of 2020. An Opt-In letter was sent to Cincinnati customers in September of 2017, but anyone can Opt-In this program at any time by contacting Constellation.

6. **What is the Green Natural Gas option?**
   Cincinnati is offering residents who choose the option of purchasing carbon offsets generated from biogas sources such as landfills or farms. Constellation will charge an additional $.0285 per ccf or around $2.00 per month for the average residential user. The green natural gas rate will be in addition to the Cincinnati Natural Gas Aggregation rate of NYMEX plus $0.1217. Residents who wish to participate can return the green natural gas flyer in the opt-out notice or can go online at www.constellation.com/oh-cincinnati or Call Constellation toll-free at (844) 830-3336. Residents who do not participate in the green natural gas program will not be charged a premium and will receive traditional natural gas rate.

7. **What is the environmental impact of choosing Green Natural Gas?**
   By receiving green natural gas you will prevent the CO2 equivalent of burning almost 5,000 lbs of coal and achieve a carbon footprint reduction of 825 pounds of CO2e per month. Periodically, Constellation will provide summary information to the city and residents to illustrate the amount of carbon offset based on green natural gas program participation.

8. **Is there a Senior Discount?**
   Yes, senior citizens age 65 or older participating in the aggregation program may opt to receive a discount of $0.01 per ccf of natural gas off the monthly variable rate or any applicable fixed rate by contacting Constellation at (844) 830-3336.

9. **Is there a fee to leave the Cincinnati Natural Gas Aggregation Program?**
   Constellation will not charge you a fee if you choose to leave the natural gas aggregation program once enrolled.