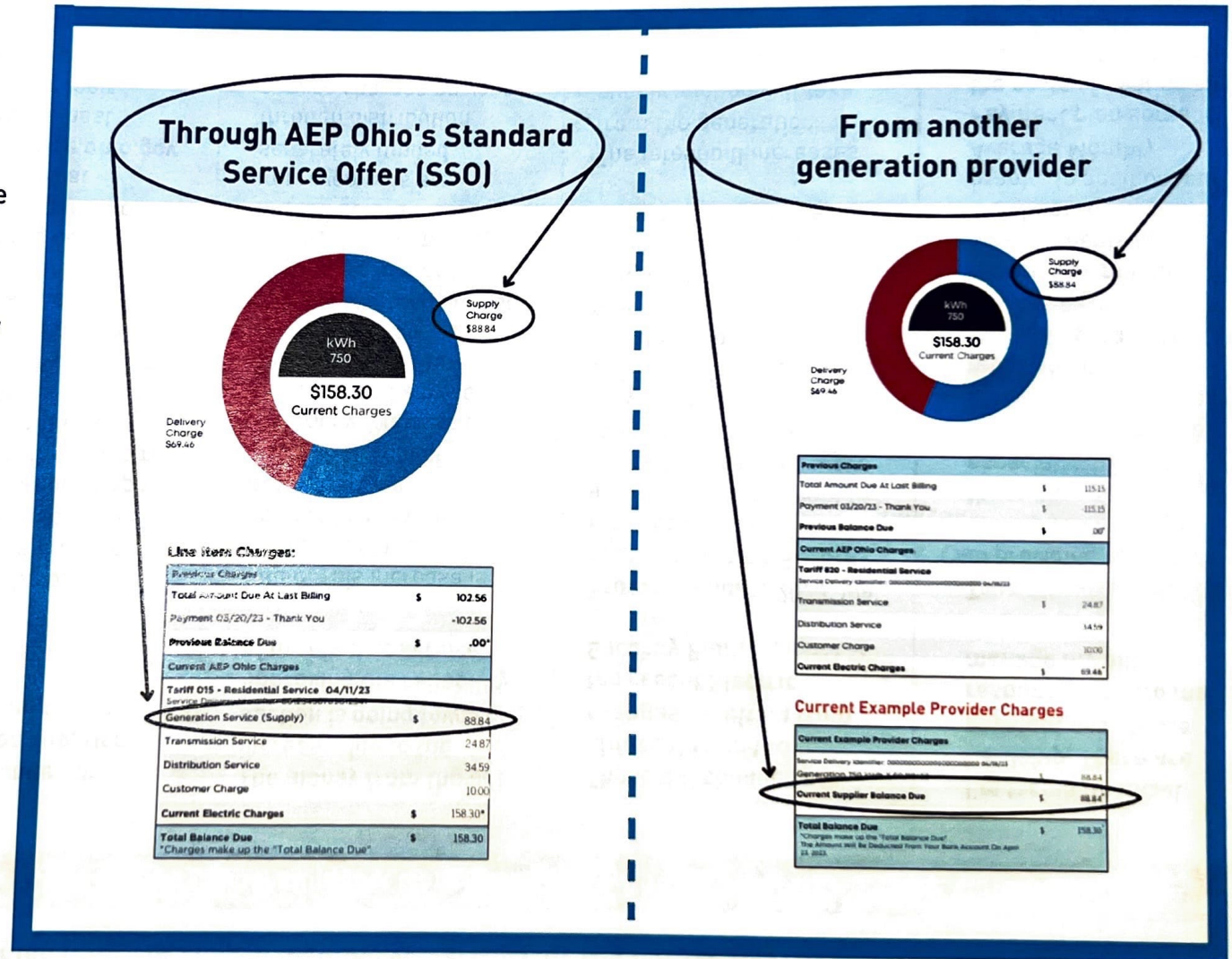


# Understanding Your Electric Bill

The recent auction impacts the generation (supply) portion of your bill. Customers that receive their generation supply through AEP Ohio's Standard Service Offer (SSO) will see higher electric bills beginning in June due to rising generation supply prices. Customers who are part of a municipal aggregation, participate in the Percentage of Income Payment Plan (PIPP) or shop in their individual capacity **will not** see this same increase. Take a look below to see where you can find this information on your electric bill.

There are three common portions of your electric bill:

- **Generation (Supply):** The cost to produce electricity. Customers in Ohio can choose their Competitive Retail Energy Service (CRES) provider or remain on the Standard Service Offer (SSO) rate.\* Visit [energychoice.ohio.gov](http://energychoice.ohio.gov) to compare CRES providers and their rates.
  - **Transmission:** The cost associated with moving electricity from the generation site to substations near your community.
  - **Distribution:** The cost for moving electricity from a substation directly to your home or business.
- \*If you choose to receive your generation supply from AEP Ohio through the SSO, an external competitive auction process is used.



Customers can compare current offers from electric generation suppliers at [energychoice.ohio.gov](http://energychoice.ohio.gov).

# Upcoming Bill Changes: Answering Your Questions



Customers that receive their generation supply through AEP Ohio's Standard Service Offer (SSO) will see higher electric bills beginning in June due to rising generation supply prices. **Customers who are part of a municipal aggregation, participate in the Percentage of Income Payment Plan (PIPP) or shop in their individual capacity will not see this same increase.**

Below, we've tried to help explain more by separating fact from fiction and outlining a few true or false statements.

**AEP Ohio controls the auction results and is profiting off this bill increase.**

**False.** The final prices for generation supply procurement are set by a market-based competitive auction process overseen by an independent auction manager. Prices are reviewed and approved by the Public Utilities Commission of Ohio.

We pass the actual cost (the price determined by the winning auction suppliers) directly to our customers, dollar for dollar, with no markup. The auction results are not within the control of AEP Ohio.

**I can't change my generation supplier and have no choice.**

**False.** In Ohio, customers are free to choose who provides the generation supply portion of their electric service – either by affirmatively choosing a competitive provider or by receiving the default standard service offering. Customers can compare generation supply rates at [energychoice.ohio.gov](http://energychoice.ohio.gov) to make the best decision for their family.

**The money from the bill increase due to the auction is going towards improving the reliability of my electric service.**

**False.** This increase is the result of the competitive market auction for the generation cost of electricity. We pass the actual cost (the price determined by the winning auction suppliers) directly to our customers, dollar for dollar, with no markup. Infrastructure improvements are separately funded through distribution service charges on your bill.

**These bill changes are different from the changes resulting from the recent Electric Security Plan.**

**True.** In January 2023, we filed our Electric Security Plan (ESP), which included a proposed investment in infrastructure to improve the reliability of your service starting in June 2024. This includes updates to our tree maintenance program, establishing new money-saving programs for our customers and more.

The latest bill increases from the generation supply auction will take effect this June. They are unrelated to the ESP, which will not take effect until 2024, and are the result of a market-based auction process that is out of our control.

**I'm facing financial hardship. There are payment assistance resources to help me manage my bills.**

**True.** We are committed to providing resources to help you manage these changes, especially if you're experiencing financial hardship. You can learn more about our available programs such as payment extensions, monthly arrangements and Neighbor to Neighbor grants. In addition, our Average Monthly Payment plan spreads the costs of heating and cooling over the whole year. For more information and other payment resources, visit [AEPOhio.com/Assistance](http://AEPOhio.com/Assistance).

Learn more and find additional info on energy saving tips and payment assistance options at [AEPOhio.com/BillChanges](http://AEPOhio.com/BillChanges).