

Residential Electric Shopping Guide

by the

Pennsylvania Office of Consumer Advocate

Introduction

As a result of changes in the law in Pennsylvania, consumers can choose the company that provides them with a portion of their electric service. This guide has been prepared by the Pennsylvania Office of Consumer Advocate to help residential consumers make that choice.

The Pennsylvania Office of Consumer Advocate is a state office whose job is to represent Pennsylvania consumers in matters involving their utility services.

It is important to understand that consumers only have a choice as to a portion of their electricity service. The power lines that run down your street and into your home will still be operated by your local electric distribution company, and the rates for the delivery portion of your service will still be regulated by the Pennsylvania Public Utility Commission.

But Pennsylvania consumers can choose the company that sells the electric power, or generation, that is delivered over those distribution lines. Some companies may offer electric generation service that is cheaper than the power sold by your local electric distribution company; some companies may offer types of generation that are cleaner to produce.



No matter whom you buy your power from, the reliability and quality of your local electric distribution service will not change. In addition, only companies that are licensed by the Pennsylvania Public Utility Commission are allowed to sell electric generation to consumers in Pennsylvania.

How To Shop for Electricity

Ten 100 Watt Bulbs



Burning For One Hour

Equals One Kilowatt Hour

A graphic showing ten yellow light bulbs arranged in two rows of five. The text above and below the bulbs explains that ten 100-watt bulbs burning for one hour equals one kilowatt hour.

Each local electric utility has a “price to compare.” The price to compare is the price charged by your local utility for the portion of your service that is open to competition.

The price to compare is given in cents per kilowatt hour (kWh). One way to think about a “kilowatt hour” is the amount of electricity needed to keep ten 100 watt light bulbs burning for one hour. A typical residential customer may use about 500 kilowatt hours of electricity every month for normal lighting and appliances. If you have electric heat, you are likely to use much more electricity in the winter months. If you have air conditioning, your usage will likely be higher in the summer months. The best place to find your own monthly usage is by looking at recent bills you received from your electric distribution company.

Once you know your utility’s price to compare and your own typical monthly usage, you can begin to shop for your electric supplier.

Included in this guide is a list of names, telephone numbers and web addresses of licensed electric generation suppliers who have indicated an interest in serving residential customers in your area. By comparing the supplier's price per kilowatt hour with your electric distribution company's price to compare you can find out whether or not you will save money by switching.

For example, as this table shows, if your electric distribution company's price to compare is 10¢ per kWh and the competing electric generation supplier is charging 9¢, then you can save 1¢ on every kilowatt hour that you use. If you use 500 kWh in a month, then you will save \$5.00. If you use 1000 kWh in a month, then you will save \$10.00.

Price to Compare	10 ¢/kWh
New	<u>- 9 ¢/kWh</u>
Savings	1 ¢/kWh
Savings	1 ¢/kWh
Monthly	<u>X 1 ¢/kWh</u>
Savings	\$5.00

How To Use This Guide

The purpose of this guide is to help residential consumers get started in shopping for their electric supplier.

We have collected information about each of Pennsylvania's major electric distribution companies as well as the electric generation suppliers who are presently offering service to residential customers in each area. We have attached a chart for each company showing the utility company's price to compare, and the comparable price being charged by the electric generation suppliers.

We have also calculated the monthly bills for suppliers' services at three different usage levels -- 500 kWh, 1000 kWh, and 2000 kWh per month. If a supplier includes a monthly charge in addition to the price per kilowatt hour, then we have spread that charge over the applicable usage.

For example, if a supplier charges \$5.00 per month, plus 10¢ per kWh; and if a consumer uses 500 kWh, then the monthly bill in our chart would be \$55.00.

It is also important to note that we have **not** included other parts of your electric bill in our comparison charts. All customers will **also** have to pay other charges to their electric distribution company to have the power delivered to their home. Those additional charges are the same regardless of who you buy your power from, however, so that does not change the amount of your monthly savings.

New Supplier Price per kWh	10 ¢/kWh
Monthly Usage	<u>X 500 kWh</u>
Monthly Usage Cost	\$50.00
Monthly Fee	<u>\$5.00</u>
Monthly Generation Bill at 500 kWh per month	\$55.00

Our chart points out some electric generation supply services that are certified by the Green-e Energy program. These services are marked



throughout the guide using the symbol shown on the left hand side of this page. The Green-e Renewable Electricity Certification Program is a program of the non-profit Center for Resource Solutions. The Green-e Energy program was established to provide information and an objective standard for consumers to compare electricity products, and to verify that consumers get what they pay for. For more information, or an updated list of certified providers in your area, call the Center for Resource Solutions at (888)-63 GREEN, or check their website at www.green-e.org.

Our chart also states whether companies charge an early cancellation fee. Some companies charge this fee for cancelling a contract before the end of the specified time period.

Finally, our charts only include basic residential and residential heating rates under which the great majority of Pennsylvania residential consumers are served. Some Pennsylvania electric distribution companies may offer other special rates that vary based on time of day and by peak usage or that are associated with particular types of service.

Now It's Your Turn

This document is only a guide to **start** you in the shopping process. We have tried to gather accurate information from all the residential suppliers that we are aware of in each territory, but there may be additional products available. Also, **prices change**. You should always contact the supplier directly to make sure that you understand the price that you will have to pay as well as all other contract terms, such as the length of the contract and any other fees for switching to or from a particular supplier. Also, each electric distribution company's price to compare will change periodically in the future.

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We can help

If you have any questions, please contact our office by calling our **toll free number 1-800-684-6560**, or (717) 783-5048 or by email at consumer@paoca.org. The Office of Consumer Advocate's website at www.oa.state.pa.us has other educational material available.

You can obtain a current list of suppliers that are licensed to serve in your area, by visiting the Pennsylvania Public Utility Commission website at www.puc.state.pa.us or by calling toll free at 1-800-692-7380. However, please keep in mind that a company may be licensed but not actively offering service.