

Energy Aggregation Update

Response to Increasing Resident Electric Bills

The City of Fairfield is committed to protecting residents energy costs amidst volatile and rising markets. Thus, the city has continued its contract with Dynegy Energy Services to be the city's electric aggregation supplier. The negotiated electricity generation rate is highly competitive at \$0.0939 per kWh. **While this is a significant increase from the previous rate of \$0.0617 per kWh, the secured aggregation rate will still generate real savings for most residents.** The new rate is effective June 2025 and ends in May 2026. Eligible residents and businesses are automatically enrolled in the program, but anyone who wishes to opt-out of the program may do so.

What is Energy Aggregation?

Community electric and natural gas aggregation programs combine the residential and small business purchasing power of a larger "aggregated" group in pursuit of lowering and stabilizing energy prices.

Background

On November 7, 2023, the majority of voters in the City of Fairfield voted "Yes" on giving City Council the authority to start energy aggregation programs. Since then, the City has become a certified aggregator with the Public Utilities Commission of Ohio (PUCO). Being a certified aggregator allows city officials to negotiate utility rates for the electric and natural gas use for residents and small businesses that use Duke Energy Ohio.



Fig 1. The PJM Interconnection region, encompassing all or parts of 13 states (including Ohio's electric grid) and the District of Columbia, illustrating the areas served by the organization's wholesale electricity market.

Frequently Asked Questions

Why is my bill more expensive?

The overall cost of energy has increased dramatically across the entire PJM region due to various factors beyond our control (global events and market conditions, increased demand, infrastructure updates, fuel costs, etc.). This trend is affecting all areas within the PJM footprint.

How will Fairfield's electric aggregation program save me money?

Electric aggregation will help lower the generation charges on your Duke bill.

Can I opt-out?

Yes, a opt-out letter has been sent out notifying eligible residents that they will be automatically enrolled in the program, but they have the choice to decline participation.

What happens if I opt-out?

If you opt-out of the aggregation program you will be placed on Duke's default rate. The program is designed to protect residents from higher default rates by securing a more favorable and stable energy price.

How to read your electric bill

Fairfield's electric aggregation program will not change delivery charges billed by Duke, but the program will lower generation charges shown on your Duke bill. Remember – Duke Energy will continue to deliver the electricity to your home, and you will continue to receive a single energy bill from Duke Energy each month.

Billing details - Electric

Billing Period -	Charges that are not impacted by aggregation program	
Meter -		
Duke Energy Delivery		
Service Delivery		
Distribution-Customer Charge		\$8.00
Distribution-Energy Charge		
1,582.180 kWh @ \$0.03969300		\$62.80
Delivery Riders		50.64
Generation Riders		3.40
Total Delivery Charges		\$124.84
Dynegy Energy		
Choice Supplier Energy Charge		
1,582.180 kWh @ \$0.06170000		97.62
Total Current Charges		\$222.46

Charge that is impacted by aggregation program; new fixed rate is 9.39 cents per kWh

Your current rate is Residential Service (RS).

For a complete listing of all Ohio rates and riders, visit duke-energy.com/rates



Duke generation default rate

Your current generation rate with Dynegy Energy is Your

Dynegy Energy account number If you have any questions about your electric supplier's service or charges, contact Dynegy Energy at 877.331.3045 or write to them at 6555 SIERRA RD, IRVING TX 75039.

Price to compare: If you're considering using a different electric supplier, their rate would have to be lower than **xx** cents per kWh for you to save money. Visit energychoice.ohio.gov to compare rates of all electric suppliers or contact Duke Energy for a written explanation.

To obtain a comparison of available competitive electric supplier offers, visit the Ohio Electric Choice website at energychoice.ohio.gov.

In Case No. 21-887-EL-AIR, the PUCO approved an adjustment to Rider ETCJA, Electric Tax Cuts and Job Initiatives Rider. Overall, a typical residential customer using 1,000 kWh per month will see a decrease of approximately \$0.60 or -0.36% per month effective March 3, 2025.

In Case No. 21-482-EL-RDR, the PUCO approved an adjustment to Rider EE-PDRR (Energy Efficiency and Peak Demand Rider). A typical residential customer using 1,000 kWh per month will see a decrease of \$0.55 or -0.33% per month effective February 2025.

Riders are costs the Public Utilities Commission of Ohio has approved to cover investments in improving the energy infrastructure or other additional expenses.

- Default Rate:** The default rate, or “fallback” option is the price your local utility company charges for electricity or natural gas supply if you haven't chosen an alternative supplier. In volatile energy markets, default rates can be significantly higher than rates secured through aggregation programs.
- Delivery Charge:** This charge covers the cost of transporting the electricity or natural gas to your home or business. Your local utility company is responsible for delivery, even if you choose a different energy supplier.
- Aggregation Rate:** The negotiated price of electricity or natural gas supply secured by a municipality on behalf of its residents or businesses. The municipality's negotiation focuses on securing a favorable generation charge rate for residents. This charge covers the cost of producing the actual electricity. It refers specifically to the supply or generation portion of the energy bill, not the delivery charges.