

# Energy Shopper's Guide

How to select your own  
Electric Generation Supplier

# PCL&P Energy Shopper's Guide

As a customer of Pike County Light & Power Co. (PCL&P), you have the right to choose your own electric generation supplier (EGS).

Choosing an EGS is an opportunity to manage your energy bills. With some comparative shopping, you can choose a supplier that offers you the best value. We know it sounds odd for a utility company to help its customers look elsewhere to buy electric supply, but the fact is, our primary business is to deliver energy to our customers. PCL&P is regulated by the Pennsylvania Public Utility Commission (PAPUC). As a regulated electric delivery company, PCL&P doesn't make a profit on the sale of the actual electric supply. EGSs are independent, non-regulated businesses who specifically sell electric supply. Their purchasing and pricing activities may enable them to offer you more competitive options, such as fixed prices (if your objective is price stability) or savings on your electric supply purchases which can help reduce your overall energy costs.

You may have already enrolled with an EGS, or you may receive your electric supply from PCL&P. No matter what your situation is, it makes sense to shop around periodically, just like you would for insurance rates or telephone services. This pamphlet provides information to make your shopping experience more effective.

If, for any reason, an EGS can't provide you with electric supply, your service will not be interrupted. PCL&P will always be your backup supplier. PCL&P will continue to read your meter, provide customer service and respond to emergencies in case of a power outage, as well as perform routine maintenance on our delivery system.

# Options regarding your current supplier

Understanding your options will help you decide if switching suppliers is right for you. You can shop for possible savings among competing electric suppliers and switch to an EGS at any time.

## Already purchasing your electricity from an EGS?

If you already have an EGS, you can remain with that supplier. Although you may have the option, switching may not be right for you – especially if you're currently committed to a long-term contract. Check with your supplier to find out if there is an early termination fee before switching. You'll want to determine whether switching providers will save you money.

## Is PCL&P your electric supplier?

If you've never chosen – or do not plan to switch to – an EGS, PCL&P is your default electric supplier. PCL&P's market-based prices change quarterly, based on market conditions. PCL&P posts these prices for the current calendar quarter.

# How to compare choices

The decision to use an EGS can be based on price, services and incentives offered by the EGS. Think about what's important to you: For example, are you comfortable with the contract terms? Do you prefer a fixed price or a variable price? Does the EGS provide any additional services? Does the EGS provide any incentives for switching?

## Contracts and terms

Some EGSs offer month-to-month plans with no long-term commitment. Others may offer plans with contract periods that last as long as several years. Contracts may also include a penalty for early termination.

## Fixed and variable electric prices

Electric supply can be priced like interest or mortgage rates. A fixed rate remains the same throughout the term of the contract. A fixed rate plan may be best if you're interested in locking in a long-term price. A variable rate can go up or down based on market prices for electric supply. A variable rate plan may be best if you regularly monitor your energy bills and don't mind switching based on market fluctuation.

# Calculating your potential savings

You'll want to make an apples-to-apples comparison to determine if an EGS is offering a better price on the electric supply portion of your bill. To do this, pay attention to the "price to compare" (PTC). The PTC is the price per kilowatt hour (kWh) for your electric supply, and is the portion on your bill that is open to competition. The PTC can be easily found on your bill and is referenced as **PTC** on the sample bill on page 3.

The PTC is calculated by obtaining your Total Supply Charge (C) divided by your Total kWh usage (A). The price is listed in cost per kilowatt hour (\$/kWh). By comparing the competing EGS's price per kilowatt hour with your current EGS's or PCL&P's PTC, you can find out whether or not you will save money by switching. For example, if your current EGS's PTC is 10 cents per kWh and the competing EGS is charging 9 cents, then you can save 1 cent on every kilowatt hour that you use for the time period in which the price is applicable. If you use 700 kWh a month, you would save \$7.00.

When making your decision, it's important to consider fixed and variable rates, historical trends in prices and whether the EGS offers any guaranteed savings. For instance, if one EGS is offering a fixed rate of 10 cents/kWh for a one-year term and another EGS is offering a variable rate of 8 cents/kWh, the savings you would receive with the variable rate could be short-lived.

## Residential customers

For your convenience, here are explanations of the bill elements that are pertinent when shopping for electric supply.

**A Total kWh usage** – Your electric consumption during the billing period.  
**kWh** (kilowatt hour) – A standard unit of electricity or consumption equal to 1,000 watts used in one hour.

### **B Delivery charges remain regulated by PAPUC**

**Delivery Charges** – Charges for the use of local wires, transformers, substations, and other equipment used to deliver electricity to end-use consumers.


**Basic Service Charge** – A monthly basic distribution charge to cover costs for billing, meter reading, equipment, maintenance and advanced metering when in use.

**Delivery State Tax Adjustment Surcharge** – A charge, or a credit, on electric rates to reflect changes in various state taxes included in your bill.

### **C You choose the supplier/cost**

**Default Service Electric Supply Charge** – Electric supply charge for customers who do not have an EGS.

**PIKE CUSTOMER**  
123 VALLEY ROAD  
MILFORD, PA 18337

 Your next  
Reading will be:  
Apr 29

**ELECTRIC RESIDENTIAL**  
Meter Number: 123456789

Mar 30 reading (Actual) 48260  
Mar 2 reading (Actual) -47547

Total Usage KWH 28 Days

48260  
-47547

713

**A**

**Delivery Charges**

Basic Service Charge

First

Delivery State Tax Adj

713 KWH @ 5.67350¢ each

**B**

\$6.25

40.45

.18

\$46.88

**Total Delivery Charges**

**Default Service Electric Supply Charge**

Mkt Price Elec Supply 713 KWH @ 5.62900¢

Elec Supply Adj Chg 713 KWH @ 0.69820¢

Default Svc State Tax Adj

**C**

40.13

4.98

.09

\$45.20

**Total Default Svc Elec Supply Chg**

\$92.08

**CURRENT ELECTRIC CHARGES**

**To avoid a 1.5% late charge, please pay by 04/25/2011. Allow 2 business days for payments to post to your account.**

For a convenience fee you may pay using your Visa, MasterCard, Discover or Diners Club by calling 1-800-224-2317. Please allow 48 hours for any payment made this way to post to your account.

Approximate state gross receipts tax included = \$5.43

**PTC**

The total amount of the Default Service Electric Supply Charge divided by total KWH usage is equal to your monthly price to compare of 6.34¢ /KWH. Your price to compare is clearly identified so you can use it to compare offers from suppliers and select the best value. For more information on your alternate energy supply options, please see "Pricing Information for Your Electric Supply Options" on the last page of this bill.

**Note:** This sample bill is for default customers who are receiving electric supply from PCL&P and not from an EGS.



## Commercial customers

General information on how to calculate your potential savings, along with an explanation of the "price to compare" **PTC**, can be found on page 3 of this guide.

For your convenience, here are explanations of the bill elements that are pertinent when shopping for electric supply.

**A Total kWh usage** – Your electric consumption during the billing period.

**kWh** (kilowatt hour) – A standard unit of electricity or consumption equal to 1,000 watts used in one hour.

**B Delivery charges remain regulated**

**Delivery Charges** – Charges for the use of local wires, transformers, substations, and other equipment used to deliver electricity to end-use consumers.


**Basic Service Charge** – A monthly basic distribution charge to cover costs for billing, meter reading, equipment, maintenance, and advanced metering when in use. The first 5.0 kW of demand that you use are included in this charge. Additional demand charges are applied only when you exceed 5.0 kW of demand.

**Delivery State Tax Adjustment Surcharge** – A charge, or a credit, on electric rates to reflect changes in various state taxes included in your bill.

**C You choose the supplier/cost**

**Default Service Electric Supply Charge** – Electric supply charge for customers who do not have an EGS.

XYZ COMPANY  
22 CENTRAL ROAD  
MILFORD, PA 18337

 Your next Meter  
Reading will  
May 02

**EL SMALL C&I GENERAL SERV SEC-DELIVERY**  
Meter Number: 1234556786

Apr 29 reading (Actual)	DEMAND	ENERGY
Mar 31 reading (Actual)	426.90	79587
Total Usage 29 Days	-414.41	-77430
	12.5 KW	2157 KWH <b>A</b>

**Delivery Charges**

Basic Service Charge			
First			\$10.00
Next	5.0 KW @	0.00	.00
First	7.4 KW @	3.20	23.68
Next	300 KWH @	5.81410¢ each	17.44
Next	700 KWH @	5.36320¢ each	37.54
Next	240 KWH @	4.15960¢ each	9.98
Next	917 KWH @	3.63540¢ each	33.34
Delivery State Tax Adj			.51
<b>Total Delivery Charges</b>			<b>\$132.49</b>

**Default Service Electric Supply Charge**

Mkt Price Elec Supply	2157 KWH @	5.58200¢	
Elec Supply Adj Chg	2157 KWH @	0.52790¢	120.40
Default Svc State Tax Adj			11.39
<b>Total Default Svc Elec Supply Chg</b>			<b>.25</b>

**CURRENT ELECTRIC CHARGES** **\$132.04**

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**\$264.53**

**To avoid a 1.5% late charge, please pay by 05/24/2011. Allow 2 business days for payments to post to your account.**

For a convenience fee you may pay using your Visa, MasterCard, Discover or Diners Club by calling 1-800-224-2317. Please allow 48 hours for any payment made this way to post to your account.

Approximate state gross receipts tax included = \$15.61

**PTC**  
The total amount of the Default Service Electric Supply Charge divided by total KWH usage is equal to your monthly price to compare of 6.13¢ /KWH. Your price to compare is clearly identified so you can use it to compare offers from suppliers and select the best value. For more information on your alternate energy supply options, please see "Pricing Information for Your Electric Supply Options" on the last page of this bill.

**Note:** This sample bill is for default customers who are receiving electric supply from PCL&P and not from an EGS.

## Additional resources

There are many resources to help you shop for an electric supplier. You can obtain pricing and contact information for electric suppliers at the following Web sites:

- PCL&P's Web site at: [oru.com/pachoice](http://oru.com/pachoice) or call 1-877-434-4100.
- Office of Consumer Advocate's (OCA) Web site at: [oca.state.pa.us](http://oca.state.pa.us) or call 1-800-684-6560.
- Pennsylvania PUC PowerSwitch Web site at: [papowerswitch.com/shop-for-electricity](http://papowerswitch.com/shop-for-electricity) or call 1-800-692-7380.
- Sign up to receive e-mail alerts when prices are changing in your area. Go to [papowerswitch.com/shop-for-electricity](http://papowerswitch.com/shop-for-electricity).



## Choose from this list of electric suppliers

The following electric suppliers serve PCL&P's residential and/or business customers:

- Direct Energy Services LLC – visit [directenergy.com](http://directenergy.com) or call 1-888-734-0741.
- Pennsylvania Gas & Electric – visit [pagande.com](http://pagande.com) or call 1-866-706-7361.
- PCL&P – visit [oru.com/pachoice](http://oru.com/pachoice) or call 1-877-434-4100.
- Con Edison Solutions – visit [conedisonsolutions.com](http://conedisonsolutions.com) or call 1-888-320-8991.

## Ask the right questions

Here are a few questions to ask each supplier:

- Is the supplier licensed by the PAPUC?
- What are the prices, terms, and conditions of the agreement?
- Are these provided in writing?
- Are the prices fixed, or could they vary from month to month?
- Can I save money on my electric supply costs? If so, how much?
- Are there any cancellation or early termination fees?
- Are there additional fees not included in the price quote?
- How have the prices compared historically against the market prices or against the default service prices?
- Does the EGS provide any additional services?

## How does the process work once you decide to switch to an EGS?

If you're currently buying your electricity from an EGS and you take no action, you simply remain with that EGS. If you want to switch to a different EGS, remember to review your contract for any termination policies or fees that may apply.

It takes a minimum of 15 days and up to 45 days to complete the switch. Once you have found an offer that's right for you, give your 10-digit PCL&P account number to the EGS you selected. The EGS will then work with PCL&P to process the switch. You'll receive a letter by mail from PCL&P confirming your switch to a new supplier, along with a date the service from the EGS will begin. Should you decide to cancel the supplier change, please call PCL&P Customer Assistance at 1-877-434-4100. PCL&P charges you nothing to switch your EGS.

## Switching to an EGS does not change the services you receive from PCL&P

If you choose an EGS, PCL&P will still deliver electricity to your home or business through its wires. PCL&P will continue to read your meter, provide customer assistance and respond to emergencies in case of a power outage, as well as perform routine services to maintain the safety and reliability of the delivery system.

If, for any reason, your new supplier can't provide you with electric supply, your service will not be interrupted. PCL&P will always be your back-up supplier. If this should happen, you will be charged the current PCL&P price for your electric supply.

## Where does my bill come from?

For your convenience, PCL&P can still do the billing. You'll receive a single bill from PCL&P each month, with a separate page showing the EGS electric supply costs. You'll only need to make one monthly payment. PCL&P will pay your EGS directly.

## Who to contact with a problem

If you have a complaint related to the delivery of your electric service, i.e., power outage, meter reading or billing error, contact PCL&P's Customer Assistance at 1-877-434-4100.

If you have a complaint related to the price of your electric supply or about the terms and conditions of your EGS agreement, you **MUST** first contact your EGS directly to give them an opportunity to resolve the issue.

If you have a complaint and are unable to resolve your dispute with the EGS, you have the option to file a complaint with the PAPUC. Please call the Commission at 1-800-692-7380 or go to the Web site [www.puc.state.pa.us/general/filecomplaints.aspx](http://www.puc.state.pa.us/general/filecomplaints.aspx).

# Your shopping worksheet

Using the worksheet below, you can determine if an EGS is offering a better price than your current supplier. Remember, you are only shopping for the supply portion of your bill. Your actual bill will include the cost of delivering and supplying your electricity. Enter the supplier's name on the top line to begin.

1. Enter your current supplier's price to compare (PTC), which is given in cents per kWh.
2. Call EGSs to find out their PTC. Write that price on Line 2.
3. Subtract the new supplier price from the current PTC and write that number on Line 3.
4. Review your last 12 monthly bills to determine the average number of kWh your household uses and write it on Line 4.
5. Multiply Line 3 by Line 4 and put that number on Line 5.
6. Divide the subtotal by 100 to calculate your savings per month.
7. Some EGSs charge a monthly fee in addition to the charge for electric supply. If the EGS charges a fee, write the amount on Line 7. Enter zero if there is no fee.
8. Subtract the monthly fee from your savings per month (Line 7 from Line 6) and enter this on Line 8. This will show you what your "Final Monthly Savings" may be.

## Compare two companies



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<b>1</b>	Current Supplier PTC			cents/kWh	
<b>2</b>	New Supplier PTC	-			cents/kWh
<b>3</b>	Savings	=			cents/kWh
<b>4</b>	Average kWh/month	x			kWh
<b>5</b>	Subtotal	=			cents/mo.
<b>6</b>	Cents/mo. <input style="width: 30px;" type="text"/>	÷ 100 = \$			savings/mo.
<b>7</b>	Monthly Fee?	\$			
<b>8</b>	Final Monthly Savings	\$			

(actual savings may vary)

Remember this example only compares electric supply prices. Your actual bill also includes delivery costs.



[www.oru.com](http://www.oru.com)



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