

Information About Upcoming Adjustments to AEP Ohio Residential Electric Bills

March 28, 2024



What You Need to Know

- Rates for three components that make up electric bills are expected to be updated in multiple cases at the Public Utilities Commission of Ohio (PUCO) this spring and summer.
- Ultimately, the impact to a customer's electric bill continues to heavily depend on how much electricity they use and who they receive their electric generation supply from.
- In June, when all updates are in effect, we expect average residential customers on the SSO rate using 1,000 kilowatt-hours of electricity per month to see their bill go down by more than 10% from March 2024.
- Visit [AEPOhio.com/BillChanges](https://www.aepohio.com/BillChanges) for additional information, bill assistance options, FAQs and more.

UPCOMING ADJUSTMENTS TO AEP OHIO ELECTRIC BILLS: WHAT TO EXPECT

This spring and summer, the rates for the three components that make up AEP Ohio's electric bills are expected to be updated in multiple cases at the Public Utilities Commission of Ohio (PUCO). While the majority of a customer's bill depends on how much electricity they use, other factors, like who supplies their power, can also have a significant impact. Below is a summary of a few important adjustments* that will take effect for AEP Ohio residential customers in 2024:

Transmission Service Rate Adjustment

AEP Ohio is investing in new transmission lines to better serve customers. Many of the high-voltage transmission lines AEP Ohio relies on to serve customers were built decades ago and are nearing the end of their expected life. This investment is needed to:

- Help prevent power outages
- Protect against threats to the electric grid
- Support new jobs and economic growth

The formula used to calculate transmission rates has been approved by the Federal Energy Regulatory Commission and the PUCO. During the last annual review under this formula, residential customers used a larger share of the transmission system, resulting in higher rates for residential customers this year.

What Customers Can Expect: A typical residential customer using 1,000 kWh of electricity will see the Transmission Service line item on their electric bill increase by approximately \$10 per month beginning on April 1.

Generation Service Rate Decrease for SSO Customers

At the recent auction for generation supply, AEP Ohio saw a significant decrease in the price of electricity in comparison to the higher prices from last year's auctions. This cost is always passed to customers dollar-for-dollar, with no mark-up or profit for AEP Ohio.

What Customers Can Expect: Customers who receive their power supply through AEP Ohio's Standard Service Offer (SSO) will see the generation portion of their monthly electric bill go down by approximately 30% (or \$35) beginning on June 1. Customers who are part of a municipal aggregation or choose to receive electricity from another generation supplier *will not* see this same change on their electric bills. They can check with their generation supplier for any updates that might impact their electric bill due to recent auctions. They can also see the current cost of generation supply on the [Apples to Apples comparison chart](#) provided by the PUCO.

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Distribution Service Rate Adjustments

AEP Ohio filed an Electric Security Plan (ESP) stipulation with the PUCO last year that will continue our commitment to improve reliability, foster innovation and offer programs to help customers reduce energy usage and save money.

What Customers Can Expect: If the settlement is approved as submitted, customers will see an average monthly increase of less than 1% — or about \$1.50 — throughout the ESP term with some cost beginning to appear on their bill in late 2024.

Ultimately, the impact to a customer's electric bill continues to heavily depend on how much electricity they use and who they receive their electric generation supply from. In June, when all of these updates are in effect, we expect that the average residential customer on the SSO rate using 1,000 kilowatt-hours of electricity per month will see their bill decrease by more than 10% from March of 2024. In Ohio, customers are free to choose who provides the generation supply portion of their electric service and can compare supply rates at energychoice.ohio.gov.

**These bill adjustments are calculated based on an average residential customer who uses 1,000 kilowatt-hours of electricity per month. If you are on a Percentage of Income Payment Plan (PIPP), you'll continue to pay the same amount if you stay current on payments.*

BILL ASSISTANCE OPTIONS

Whether customers need more time to pay or would like to set up a payment arrangement, we can work together to find the right option:

- Visit AEPOhio.com/Assistance
- Message us on [Facebook](#) or [X](#)
- Call our Customer Solutions Team at [800.672.2231](tel:800.672.2231)

FAQs

Why did AEP Ohio file an Electric Security Plan stipulation?

Our current ESP expires this year and we need to get the new one in place to ensure a smooth transition. While we've already made significant improvements, more work needs to be done — and it must happen quickly as we plan for rapid economic growth, increased customer expectations and stronger storms that could impact the electric grid. The service we provide is essential and the investments enabled in this agreement will deliver benefits that better meet the needs of our customers.

Do customers have a choice in who supplies their generation?

Yes, 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 Offer (SSO). Customers can compare supply rates at energychoice.ohio.gov.

