



The Facts About Electric Budget Billing

Budget billing or budget payment plan programs can help you spread electric expenses throughout the year. The Office of the Ohio Consumers' Counsel provides details about the payment plans to inform customers of American Electric Power (AEP) – Columbus Southern Power and Ohio Power, Duke Energy, Dayton Power & Light (DP&L) and FirstEnergy - Toledo Edison, Ohio Edison and Cleveland Electric Illuminating.

Q. When may I enroll in a budget billing/payment plan?

- A. You may enroll in a plan at anytime throughout the year by contacting your electric company. Some companies allow you to enroll by paying the amount listed as the budget bill amount on your monthly bill. Check with your electric company to see if this is an option.

Q. How is my budget amount set?

- A. Once enrolled, the company looks at your historical usage and the expected cost of electricity to calculate a monthly charge. This is the amount you will pay each month until your account is reviewed.

Q. When will my account be reviewed and a new budget amount set?

- A. Each company handles the review process differently.

Each electric utility reviews your account and sets a new budget amount.

American Electric Power (AEP)

AEP's budget billing plan offers customers a way to make equal payments for the electricity used over 12 months. AEP will estimate the amount of electricity used for those 12 months based on experience and prior usage. AEP also will review a customers' account every six months and may make adjustments to budget payments if usage

varies from the prior estimates.

Every twelfth month, AEP will adjust a customer's payment to settle any differences between the budgeted payments and the actual usage. Any overpayments are credited to the next month's bill.



Duke Energy

Duke Energy has two different budget billing plans that customers can choose from - the Annual Plan and the Quarterly Plan.

The Annual Plan allows a customer to make the same payment each month for 11 months. During the sixth month, a mid-year review determines if the cost of electric or usage

has varied from the monthly budget amount. If the review results in a difference of 10 percent or more, a customer will receive a message on his or her bill recommending Duke Energy be allowed to adjust the monthly budget amount to reflect actual use. The customer must call Duke Energy if he or she agrees to have the budget amount adjusted. Otherwise, the budget amount will not change.

In the twelfth month of the Annual Plan, a customer will see an adjustment made to true up any difference between the previous year's payments and the actual cost of electric used. This could result in either a credit or a charge. Any charges must be paid in full by the due date of that month's bill. In addition, a new budget billing plan amount is set for the next program year.

The Quarterly Plan allows a customer to pay monthly installments and avoid a twelfth month adjustment. An initial monthly payment is determined, and every three months actual usage is reviewed by Duke Energy. If usage varies by 10 percent or more from the monthly payment, a message will appear on your next bill and the company will automatically adjust future payment amounts.

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Dayton Power & Light (DP&L)

DP&L reviews accounts in August of each year, using the month of September as the beginning of the budget year. During August, DP&L will determine if a customer paid more or less for the electricity used during the previous year. If he or she used less, a credit will appear on the bill in September. If more was used an additional charge will be included. This process is called a true-up period. DP&L will then determine a new budget amount for the following year.

FirstEnergy

FirstEnergy offers of budget billing program called the Equal Payment Plan. This plan allows FirstEnergy customers to make equal monthly payments based on an annual estimated usage. FirstEnergy reviews the customer's account quarterly to determine if any adjustment should be made based on actual usage. If the review does result in a change, FirstEnergy will put a message on the customer's bill notifying them of the change and the new monthly amount charged in the following month. On the twelfth month of the budget billing plan, the amount due may be higher or lower to bring the balance to zero. The electric account is

then reviewed to ensure the appropriate payment is made in the new year under the budget billing plan.

Q. How do I enroll in the program?

A. You can enroll by contacting your electric company at the number below.

American Electric Power

Columbus Southern Power - 1-800-277-0077

Ohio Power - 1-800-672-2231

Duke Energy - 1-800-544-6900

Dayton Power & Light - 1-800-433-8500

FirstEnergy - 1-800-646-0400

Cleveland Electric Illuminating - 1-800-589-3101

Ohio Edison - 1-800-633-4766

Toledo Edison - 1-800-447-3333

Q. How do I cancel?

A. To cancel your budget billing plan, you must call the company at the numbers listed above.

Q. What if I have additional questions about the plan?

A. Call the OCC at 1-877-PICKOCC (1-877-742-5622) toll free or contact your local electric company.

The Office of the Ohio Consumers' Counsel is an equal opportunity employer and provider of services.

For additional information from the Office of the Ohio Consumers' Counsel:

Call: 1-877-PICKOCC (1-877-742-5622) toll free or (614) 466-8574

Write: 10 West Broad Street, Suite 1800, Columbus, Ohio 43215-3485

E-mail: occ@occ.state.oh.us • Internet Address: www.pickocc.org