



Energy Aggregation for Your Organization

Updated September 2007

What is aggregation?

Aggregation is the process in which consumers join together to buy electricity or natural gas. In Ohio, “affinity groups,” such as churches, membership-based organizations and neighborhood associations, can aggregate to purchase energy for the entire group. By purchasing energy in large blocks, aggregated groups may possess greater bargaining power than individual consumers.

Each consumer who wants to participate in the buying pool has to join, or “opt in,” to the program. Members will enter into an individual contract with the program’s energy supplier.



Where is aggregation available?

Electric aggregation is available in any area served by an investor-owned electric utility. Customers of electric cooperatives are not eligible for aggregation programs unless their co-op decides to participate in electric choice.

Natural gas aggregation is available in areas served by a natural gas choice program, including Columbia Gas of Ohio, Dominion East Ohio, Duke Energy and Vectren Energy Delivery of Ohio.

What are the benefits?

There are two major advantages to an aggregation program. First, aggregation may produce savings for members over their current rate. The size of a group may be a factor in the ability to negotiate an attractive rate and lower prices for its members.

Second, some suppliers may be willing to give a share of their profits back to the participating group to cover program expenses or as a fund-raising activity. Similar to affinity group-sponsored credit cards, members may actually support the organization each time they pay their utility bill.

Are members automatically enrolled?

No. Affinity groups may not automatically enroll their members in an electric or natural gas aggregation program. Once an offer has been finalized, each member must determine whether or not to join the buying pool.



Six steps to affinity aggregation

Groups interested in aggregating their members for the purchase of electric or natural gas can follow these six steps:

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Assessment – Explore whether your organization would benefit and what goals it hopes to accomplish. Would aggregation be an added value to members? How much money would members need to save (or the group need to raise) for the program to be worthwhile?

Researching Suppliers – Electric and natural gas suppliers must be certified by the Public Utilities Commission of Ohio. Research those suppliers that are registered to serve aggregated groups. How long have they been in business? How many group buying programs do they operate? Do they have references? What is the source of their energy? What terms are negotiable?

Choose the Supplier and Negotiate – Decide on a supplier that best meets your organization's needs and negotiate the terms and conditions of the aggregation offer.

Marketing – Typically, organizations market the program to their members. From newsletters and

brochures to e-mails and meeting discussions, communication is vital so that members understand the aggregation offer.

Implementation – Each affinity group member who chooses to purchase energy through the aggregation program will need to enter into an individual agreement with the energy supplier. It is important to ensure that the terms and conditions negotiated with the supplier are included in the agreement.

Who to call

If you have questions about electric or natural gas aggregation or any issue involving a publicly owned utility company, you may call the Office of the Ohio Consumers' Counsel toll free at 1-877-PICKOCC (1-877-742-5622). The OCC can educate your group or organization about the aggregation process. To schedule a presentation contact the OCC through the toll-free telephone number and select option 4.

The Office of the Ohio Consumers' Counsel (OCC), the residential utility consumer advocate, represents the interests of 4.5 million households in proceedings before state and federal regulators and in the courts. The state agency also educates consumers about electric, natural gas, telephone and water issues and resolves complaints from individuals. To receive utility information, brochures, schedule a presentation or file a utility complaint, residential consumers may call 1-877-PICKOCC (1-877-742-5622) toll free in Ohio or visit the OCC website at www.pickocc.org.

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, 18th Floor, Columbus, Ohio 43215-3485
E-mail: occ@occ.state.oh.us • Internet Address: www.pickocc.org