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## ***THE DPA COMMUNICATOR***

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### **Shopping for an Electric Supplier**

When it comes to electric *supply*, Delmarva Power customers have a choice.

Delmarva Power will continue to deliver electricity to homes and businesses, but customers may choose the company that supplies the power that Delmarva delivers.

Shopping for a supplier has the potential to save customers money on the largest portion of their electric bill. By the end of January 2014, over 28,000 residential and almost 11,000 non-residential customers had their electricity supplied by a competitive (or "third-party") supplier.<sup>1</sup>

Customers who choose not to shop are automatically placed on the Standard Offer Service ("SOS") rate where Delmarva Power purchases the energy they use through a regulated competitive process overseen by the Public Service Commission.

If you do decide to shop, make sure have the following information:

- Know Delmarva Power's Residential Price to Compare (find it at <http://www.delmarva.com/my-home/choices-and-rates/delaware/price-to-compare/>)
- Understand your energy usage through Delmarva Power's My Account (access My Account at Delmarva.com)
- The [list of energy suppliers certified by the Public Service Commission](#)
- A calculator

In general, if a supplier is offering a per kWh price that is lower than the Residential Price to Compare, you will save money. To calculate how much, multiply your annual usage by the difference between the Price to Compare and the supplier's price to find your annual savings.

*For example*, if your monthly usage is 975 kWh then your annual usage is 11,700 kWh (975 kWh x 12). Next if the Price to Compare is \$0.13 per kWh and the supplier is offering \$0.10 per kWh, the difference is \$0.03 per kWh. Multiply that difference (\$0.03/kWh) by your annual usage (11,700 kWh) - your annual savings work out to \$351.00 (\$29.25 per month).

Of course, your actual energy use will vary each month depending on a number of factors, including the weather and lifestyle choices. For most customers, air conditioning in the summer can dramatically increase usage and your final bill.

<sup>1</sup> Delaware Electric Supply Choice Enrollment Information, <http://www.depsc.delaware.gov/electric/DPSC%20Choice%20Report.xls>

If the supplier includes a monthly fee in addition to the per kWh charge, you'll need to include that in your calculations.

*For example*, say an electric supplier has an offer for \$0.10 per kWh plus an additional \$5.00 per month: if you use 500 kWh in one month, then the true per kWh charge from that supplier is \$0.11 per kWh –  $(\$5.00/500\text{kWh}) + \$0.10$ . If you use less electricity than that, the price per kWh goes up and if you use more, the price per kWh will go down.

**Make sure that you fully understand all the terms, conditions, and charges before you switch. The PSC does not have jurisdiction over the rates and charges of third party suppliers.**

Delmarva Power also offers helpful information for customers who are considering switching to another energy supplier – find it at <http://www.delmarva.com/my-home/choices-and-rates/delaware/how-to-choose/>.

#### **QUESTIONS TO ASK POTENTIAL SUPPLIERS**

- Is the supplier certified by the Public Service Commission?
- What is the total price per kilowatt-hour (kWh)?
- Does the price stay the same or does it vary?
- Does the price depend on usage?
- What is the length of contract?
- Are there any other fees such as a monthly service charge?
- Is there a fee for early cancellation of the contract?
- What billing options does the supplier offer?
- Will you receive one bill or two?
- Is there a bonus for signing up?
- Are there any additional services offered?
- What fuels are used to produce the electricity?
- Contact name and phone number
- Customer service hours

Remember, if you do shop, it is only for the electric supply portion of your bill (about 60 - 70% of the total bill). There will be other charges on your bill related to the transmission and distribution of the electricity you use.

Whether you switch or not, the very best way to save on your energy bill is to use less energy. The US Department of Energy has compiled a comprehensive Energy Saver web site that contains tips, tools, calculators, and other resources for saving electricity and saving money.

Visit <http://www.energy.gov/energysaver/energy-saver> and learn more!

#### ***Beware of Possible Scams!***

Don't feel pressured into switching suppliers, and never provide your Delmarva account information unless you are confident that the supplier is legitimate.

Read the fine print of any contract before you sign, paying special attention to the length of a contract and any provision that allows for increases in rates over time.

No third party supplier should claim to represent or be an affiliate of Delmarva Power or the Public Service Commission.

Delmarva power will continue to supply energy to people who cannot shop or who chose not to shop.

**If you have questions or concerns, call the Division of the Public Advocate at 1.800.607.2427**