

It's Your Choice

A Consumer's Guide to Competitive Energy Suppliers



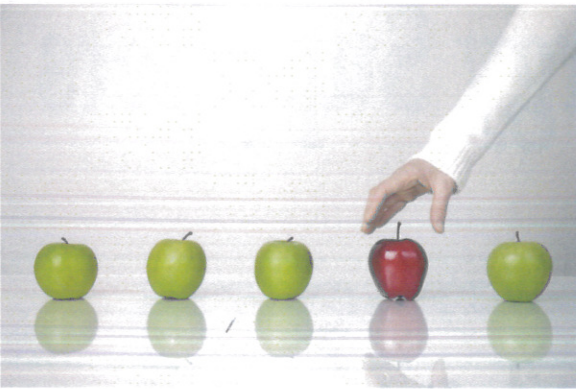
Office of the People's Counsel for the District of Columbia

INTRODUCTION:

One of the most controversial changes in the District of Columbia's utility markets has been the entrance of Competitive Energy Suppliers (CES), formerly known as Alternative Energy Suppliers.

CES companies are authorized by the DC Public Service Commission (PSC) to sell residential and/or commercial customers electricity and/or natural gas. Certain sales and marketing practices of several of these CES companies have caused concern among consumers.

The Office of the People's Counsel (OPC) has developed this brochure to provide District consumers the information necessary to make informed choices about their energy supplier.



HOW TO SHOP:

Many consumers are not aware that they have the choice to purchase electricity and natural gas from companies other than Pepco or WGL. Perhaps you have already been contacted by an energy supply company, but have questions? OPC can help.

Under DC consumer choice law, consumers who choose to receive service from a competitive energy supplier have the potential to take advantage of various electricity rates, purchase custom services or choose environmentally focused energy products.

You are not required to make a choice. You will still receive electric or natural gas service at a rate quoted to you by your local distribution company.

If you choose another supplier, the same wires will still be used to transmit electricity into your home and the same pipes will deliver your natural gas. In the event of an emergency or if the power goes out, you will still contact Pepco. Should you smell gas or have a service outage, you should contact WGL directly.

ENERGY CHOICE:

Prior to January 2001, all electric and natural gas services were provided by Pepco and Washington Gas Light Company (WGL), respectively. In January and February 2001, the PSC gave approval to begin full-scale electricity and natural gas choice programs for DC residential consumers.

The PSC's decision enabled consumers to independently choose or "shop" for their electricity or natural gas energy supplier. Their energy service would still be delivered by Pepco or WGL.

There are three components of the electric utility rate you pay: generation, transmission, and distribution services.

Transmission service fees include the cost to transport electricity from the plants, where it is produced, to the District of Columbia. Generation costs are unregulated by the PSC and reflect the cost of producing electricity plus profit.

Distribution service costs are regulated by the PSC. They include Pepco's costs to maintain reliability and to deliver electricity within the District to a customer's home or business.

QUESTIONS TO ASK A COMPETITIVE ENERGY SUPPLIER

Is your company licensed by the PSC to do business in the District of Columbia?

What is the price per kilowatt hour for this offer?

Is it a fixed or variable price?

How does the supplier's price compare with Pepco's or WG's price?

Are there any automatic price increases or decreases?

Is this a limited time offer?

Are there any first time customer start-up fees?

What are the terms and conditions of the contract?

Are there other fees included in the price offered?

What information do I need to provide the supplier?

How long is the contract for the offer price?

Does the contract automatically renew?

If so, what is the renewal rate?

How do I cancel my contract?

Is there a fee if I cancel the contract early?

If so, how much is it?

Under what conditions can I end the contract early?

Can I review a copy of the contract before signing?

If I switch will I receive one bill or two bills?

How soon will service start after I sign a contract?

What fuels are used to produce the electricity?

What is your company's customer service phone number and email address?

What is the salesperson's name?



YOUR RIGHTS AND RESPONSIBILITIES:

Utility Consumer Bill of Rights:

Refers to the PSC's Consumer Bill of Rights, adopted as regulations by the PSC in the DC Municipal Regulations (Title 15, Chapter 3).

- For further information on your consumer rights and responsibilities in the competitive energy supplier market, please see [The Consumer Bill of Rights](#), Section 327, "Customer Protection Standards Applicable to Energy Suppliers" on OPC's website, www.opc-dc.gov. Copies of the Consumer Bill of Rights are available at either OPC or the DC Public Service Commission, 1333 H Street, NW, Suite 600 East Tower.

License and Certification:

All electricity and natural gas suppliers must be certified by the PSC to conduct utility services business in the District of Columbia, whether in person, by mail, telephone or over the Internet.

- A list of active suppliers is available on the DC PSC website: www.dcpsc.org
- Make sure the supplier's license number is on your contract.

If you cannot resolve the dispute with your supplier, you can contact the Office of the People's Counsel to file a complaint at 202.727.3071.



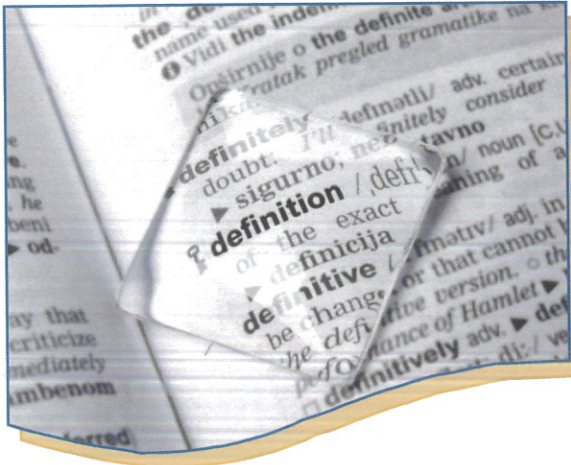
- ⇒ The PSC has no control over the prices charged by suppliers.
- ⇒ You do not have to choose a new supplier. You have the right to stay with your utility company.
- ⇒ There is no deadline for choosing a supplier.
- ⇒ Verify that a supplier is on the PSC list of authorized suppliers before you sign a contract.
- ⇒ The utility customer whose name appears on the bill — the account holder of record — must agree to the contract.
- ⇒ A supplier cannot switch your service without your permission.
- ⇒ The price terms are set in your supplier contract.
 - By law, you have 3 days from the date you enroll with the CES to cancel without penalty.
- ⇒ If you are a low-income consumer and enter into a contract with a CES, you may still qualify for financial assistance through DC energy assistance network agencies.
- ⇒ If you choose an energy supplier, these protections still apply:
 - Energy suppliers may not discriminate based on your income level and/or credit worthiness. An Energy supplier can access your individual credit score or history for purposes of making you an offer, but the supplier cannot refuse to provide you with service based on your credit history.
- ⇒ Your competitive energy supplier contract may renew automatically. If you do not want to continue with the supplier, the account holder of record must cancel the contract within the period stated in the renewal notice. Depending on the supplier, you may automatically be enrolled in a variable rate plan.
- ⇒ If you have a dispute regarding the terms of your offer, the named supplier, services or charges, the account holder of record must contact the supplier—not the local distribution company—to resolve the matter.
- ⇒ If you cancel your contract and do not enter into a contract with another supplier you will return to either Pepco or WGL's standard service.

TERMS AND DEFINITIONS:

Office of the Peoples Counsel: The People's Counsel is the public advocate for natural gas, electricity and telecommunications consumers in the District of Columbia. OPC represents your interests as a consumer in most matters affecting utility services. OPC attorneys represent the public before the Public Service Commission and before other regulatory and judicial bodies. OPC Consumer Services representatives are available to assist in resolving consumer disputes or complaints about utility services and conduct a wide variety of consumer education activities to help you participate in the regulatory process and get the most out of your utility dollar.

Public Service Commission of the District of Columbia:

The Public Service Commission of the District of Columbia regulates natural gas, electricity and telecommunications utilities doing business in the District. The Commission also has the authority to make and enforce rules, as well as conduct investigations into the business practices of competitive utility service providers serving District consumers.



Distribution: The service provided by the local energy utility to deliver electricity or natural gas safely and reliably to your home. Distribution services are regulated by the DC PSC.

Energy Supplier: A company or person who generates or produces natural gas or electricity, sells natural gas or electricity or purchases, brokers, arranges, or markets natural gas or electricity for sale to consumers.

Fixed Rate Price: An all-inclusive price that will remain the same for at least three billing cycles or the term of the contract, whichever is longer. Fixed rate pricing offers the consumer certainty that your price will not change during the term of the agreement.

Generation: The production of electric power for sale. Your rate will vary based on the energy supplier of your choice.

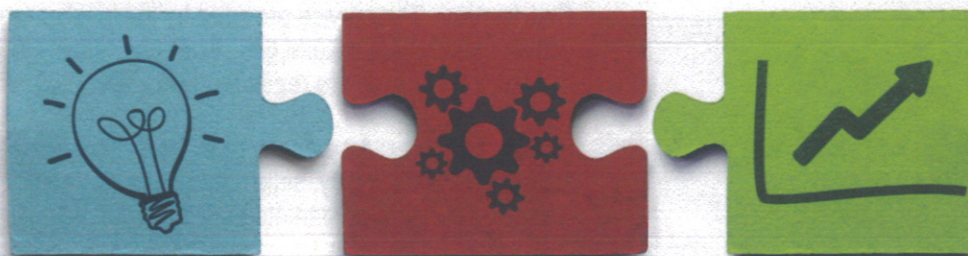
Kilowatt Hour (kWh): A unit of power, equal to 1,000 watts consumed for 1 hour. (e.g. Use of a 100 watt bulb for 10 hours uses 1 kWh)

Therm: A unit of measure generally used to express the heating potential of natural gas. One therm, approximately 100 cubic feet of natural gas, can produce the heat equivalent to 100,000 British Thermal Units. The energy of 1 therm is the electric equivalent of 29.3 kWh.

Transmission: The cost of moving electricity from the power generation location (outside the District), over high-voltage lines to Pepco's distribution system. This portion of your bill is regulated by the Federal Energy Regulatory Commission, which has jurisdiction over interstate energy utility issues.

Variable Rate Price: An all-inclusive per kWh price that can change, based on the hour, day, month, or other term, as expressed in the supplier's disclosure statement. If you select a variable rate contract, your monthly bill may vary greatly over time due to changes in market conditions.

OPC Advocating, Educating and Protecting District of Columbia Utility Consumers



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