

Date: November 21, 2025

To: Mayor and Members of City Council

202502085

From: Sheryl M. M. Long, City Manager

Subject: Options for Energy Aggregation Through Shared Electricity Procurement

Reference Document #202501981

The Budget & Finance Committee of Council at its session on November 10, 2025, referred the following motion for report:

WE MOVE that the administration prepares a report within 30 days covering the city's options for energy aggregation through shared electricity procurement. The report should cover the city's current work regarding energy aggregation and how possible partnerships with groups such as SOPEC would affect customers' electricity bills.

Background

Energy prices are rising¹, and the impact is felt unevenly across households and businesses. The City Administration recognizes these challenges and seeks new tools to deliver clean and affordable energy to residents and businesses. This report provides an overview of energy aggregation in Ohio, the role it has played in Cincinnati, and new options and program partners to consider.

Energy Aggregation

To support competition and local choice, Ohio is one of ten states with legislation that enables community choice aggregation (CCA), also known as “government aggregation,” as a mechanism for municipalities to collectively procure electricity² and natural gas³. In Ohio, 390 electricity and gas aggregation programs are

¹ <https://ohiocapitaljournal.com/2025/07/24/energy-bills-likely-to-tick-up-again-in-2026-after-electricity-auction-clears-at-maximum-price/>

² ORC 4928.20

³ ORC 4929.26

registered with the Public Utilities Commission of Ohio (PUCO) with more passing every year.

There are two types of government aggregation programs: Opt-in and Opt-out. "Opt in" means you must take a positive step, like checking a box, to agree to enroll. "Opt out" means you are automatically included by default and must take negative action, like calling to unenroll, to decline participation⁴.

Aggregation in Cincinnati

In Cincinnati, voters approved a ballot initiative in 2011 that enacted the City of Cincinnati to aggregate electricity⁵ and natural gas⁶ accounts and suppliers on behalf of its citizens and small businesses. By combining ("aggregating") all its eligible residents and small businesses together into one group, the City can obtain competitive utility rates that are typically lower than those offered by other suppliers.

Both current aggregation programs in Cincinnati are "Opt-out" and serve residential and small business customers. No municipality within Ohio or nationally serves the commercial or industrial sector, known collectively as mercantile customers.

The City operates a Residential Aggregation Program (RAP) for electricity and natural gas. In May 2021, the City entered an eight-year contract with Dynegy Energy Services to supply electricity for the City's Residential Aggregation Program⁷. Dynegy provides participants in the program with 100% green energy through the purchase of renewable energy credits (RECs), a portion of which is provided by the New Market Solar array in Highland County.

From 2021-2025, this program has provided measurable electricity savings from Duke Standard Service Offering (SSO) while concurrently advancing the City's sustainability objectives.

	Duke SSO per kWh	City RAP per kWh
2021-2022	\$0.0558	\$0.0531
2022-2023	\$0.0685	\$0.0502
2023-2024	\$0.0961	\$0.0532
2024-2025	\$0.0805	\$0.0778

⁴ <https://puc.ohio.gov/utilities/electricity/resources/government-aggregation>

⁵ [ORD/Res# 0270-2011](#)

⁶ [ORD/Res# 0271-2011](#)

⁷ Dynegy Energy Services contract information (City of Cincinnati, 2021)

Table showing historical residential aggregation rates versus Duke SSO (2021–2025) both averaged over fiscal year (July-June).⁸

These savings reflect the City’s ability to leverage the collective purchasing power of residential participants and highlight the program’s ongoing success in delivering both financial and environmental benefits. Based on a compilation of data publicly available from the Public Utility Commission of Ohio, the rate offered by the aggregation program has been an average of 14.2% less than the Duke SSO since June 2019.⁹

Participation in the program is open to eligible residents, with no fees for joining or leaving the RAP. Eligible residents who are not currently participating in the Residential Aggregation Program for electricity may join at any time by contacting Dynegy Energy Services at 1-855-326-0520. However, residents who have a contract with another electricity provider should review the terms of their contract to determine if they may be responsible for any cancellation fees charged by their current provider. Additional information on the City’s RAP can be found on the City’s Aggregation Program Website¹⁰.

Dynegy will continue to be the City’s Residential Electric Aggregation Program provider through 2030, and IGS will continue to be the City’s Residential Natural Gas Aggregation provider through August 2026.

For more information on Duke Energy’s current rates and to compare suppliers, residents may visit PUCO’s energychoice.ohio.gov website.

Residents who would like to opt-out of the aggregation program this year should call Dynegy Energy Services at 1-855-326-0520. Residents wishing to be permanently removed from the electric aggregation program customer list should also contact the Public Utility Commission of Ohio (PUCO) at 1-800-686-7826.

Clean Energy Development

The overarching goal of the Green Cincinnati Plan is to achieve carbon neutrality by 2050¹¹. The City’s efforts to deliver affordable clean energy to residents and businesses are critical to achieving Cincinnati’s carbon neutrality commitment.

⁸ City of Cincinnati Office of Environment and Sustainability, 2024, “Historic Rate Comparison 2024-11-26”

⁹ City of Cincinnati Office of Environment and Sustainability, 2024, “Historic Rate Comparison 2024-11-26”

¹⁰ <https://www.cincinnati-oh.gov/oes/buildings-and-energy/aggregation-program/>

¹¹ www.greencincinnatiplan.com

Moving towards this goal necessitates action primarily in the sectors of buildings, energy, and mobility. Collectively, our buildings and the energy they consume account for nearly 62% of Cincinnati's carbon emissions. While residential buildings represent 7.8% of this whole, commercial and industrial buildings account for 54%.

The Residential Aggregation Program provides cost-competitive clean energy to more than 70,000 households. The administration is pursuing options to develop a similar program to provide affordable clean energy to businesses, described as a Mercantile Aggregation Program (MAP).

Sustainable Ohio Public Energy Council (SOPEC)

Ordinance #0271-2025¹² considers the City of Cincinnati becoming a member of the Sustainable Ohio Public Energy Council (SOPEC). SOPEC is a regional council of governments that has 40+ member communities across the state of Ohio including Cleveland, Dayton, Athens, and Chillicothe. They facilitate aggregation programs with a mission to provide access to sustainable energy solutions, offering a default product with 100% renewable energy.¹³ If chosen as a facilitator of the MAP, **SOPEC would manage the program and leverage renewable energy resources to serve commercial or mercantile customers that opt-in to the program.** Membership in SOPEC provides options for the City to consider for MAP and does not require formal agreement or limit choice for the City or businesses within City limits.

Council of Governments Aggregation

Per Ohio Revised Code, cities in Ohio can join councils of governments (COGs) and gain access to the energy programs they offer, including aggregation. Unlike investor-owned utilities, Councils of Government are responsible to their members, not investors.

To take part in an aggregation program with a COG government aggregator, the city must follow the steps outlined in Ohio law¹⁴. These steps include posting a notice, making Plans of Governance available, holding two public hearings and passing an

¹² [ORD/Res #0271-2025](#)

¹³ <https://www.sopec-oh.gov/>

¹⁴ [Ohio R.C. 4928.20](#)

ordinance. In this case, the City seeks to adopt a plan of governance for a mercantile aggregation program.

The Mercantile Aggregation Program concept is separate and distinct from the Residential Aggregation Program. The MAP could allow the City to aggregate medium and large commercial and industrial energy users who are currently ineligible for the existing Residential Aggregation Program due to energy use thresholds. By creating a separate, opt-in program, the City could extend the benefits of collective procurement to these additional sectors. The MAP would be a voluntary program, meaning only businesses who sign up will participate.

In the future, the City could also consider joining the Northeast Ohio Public Energy Council (NOPEC). NOPEC is the other government aggregator based in Ohio and negotiates energy rates for 248 communities in Ohio. In 2024, NOPEC created its first sustainability mission, committed to achieving Net Zero by 2050 and 50% renewable electricity in its default offering to the communities by the end of 2026. As of June 2025, NOPEC's default product includes 25% renewable energy mix.¹⁵

Conclusion

The City seeks to accelerate the pace of local clean energy development and provide easy and cost-effective access to commercial customers. **Becoming a member of the SOPEC council of governments adds new expertise and capacity to launch a first-of-its-kind Mercantile Aggregation Program.** The method for partnering with a council of governments is through joining as a member by adopting a Plan of Governance.

Becoming a member has no cost to the City and does not require the City to move forward with any commitment, but it does give the City a partner to help reach its ambitious carbon emissions reduction goals in a new building sector.

Q&A

- 1) What is the difference between Mercantile and Residential customers?**

¹⁵ <https://www.nopec.org/who-is-nopec/white-papers>

Mercantile customers are commercial or industrial users whose electricity consumption exceeds 700,000 kWh per year.

Residential customers consume less than 700,000 kWh annually and can include residences of all sizes as well as small businesses.

Residential customers are presently served by the City's Residential Aggregation Program, while Mercantile customers are not.

2) Would Council approval of SOPEC membership prevent an eligible participant from using a different provider?

No, all residents and businesses in Cincinnati can select their own energy provider. Becoming a member of SOPEC does not change this. Becoming a member of SOPEC would provide mercantile customers a new, additional choice for energy provision. Any customer who would like to receive energy from SOPEC will have to opt in.

3) Can it be confirmed that selecting SOPEC as an energy provider is opt-in and that participants would have to actively sign up for it?

Yes, selecting SOPEC as an energy provider would be opt-in and participants would have to actively sign up.

The Residential Aggregation Program will be unchanged and continue to be an opt-out program operated by Dynegy. This is in alignment with the requirements stated in Ohio R.C. 4928.20.

4) Will entering into SOPEC preclude the city in any way from governing their own energy rates?

No, the City will retain its authority to choose the most advantageous energy rates.

5) Will household utility bills be affected if the City joins SOPEC?

No. Household utility bills will not be affected by becoming a member of SOPEC. Residential aggregation will continue to be facilitated by Dynegy and IGS in partnership with the City through the duration of the existing contracts.

To avoid any confusion, a B version of the ordinance to join SOPEC is provided to explicitly state that this membership would serve mercantile customers, an audience not presently served by existing aggregation contracts.

6) Will joining SOPEC infringe on existing aggregation contracts held by the City?

No. Joining SOPEC does not infringe upon existing city aggregation contracts.

7) Does joining SOPEC prevent Cincinnati from joining other Councils of Governments like NOPEC?

No. Joining SOPEC does not prevent the City from joining NOPEC. There are other Ohio cities that are members of both organizations (e.g, Athens, Cleveland).

CC: Oliver Kroner, Director, Office of Environment & Sustainability