

Energy Aggregation & SOPEC

Budget & Finance Committee Presentation

12.1.25



What is Energy Aggregation?

- Local governments are permitted by Ohio law to “aggregate” utility accounts into buying groups to obtain better rates from suppliers
- Enables local governments to find competitive electricity rates for their residents, businesses, and municipal accounts from different suppliers while maintaining transmission and distribution services through their current utility provider
- There are 390 electricity and gas aggregation programs are registered with the Public Utilities Commission of Ohio

Residential Aggregation

- Since a ballot initiative in 2011, Cincinnati has operated a residential aggregation program for households and small business customers who use less than 700,000 kWh/yr
 - Program delivers low-cost green energy to over 70,000 households
 - Participating households have saved 14.4% on utility bills since 2019

Mercantile Aggregation

- The City seeks to build a similar program for large customers who use more than 700,000 kWh/yr (known as mercantile customers)
 - There are approximately 700 mercantile accounts in Cincinnati, together they consume three times as much electricity as the residential sector

	Residential Electricity Aggregation	Mercantile Electricity Aggregation (Proposed)
Eligible Participants	Households and businesses using less than 700,000 kWh/yr	Businesses using more than 700,000 kWh/yr
Number of eligible participants	Approximately 80,000	Approximately 700
Total yearly energy consumption	1.2 Billion kWh	3.5 billion kWh
Participation	Opt-out: Default program, where participants are included, unless they sign-up with a different provider	Opt-in: Voluntary aggregation program, where participants must sign-up to participate
Electricity Provider	Dynegy	SOPEC



SOPEC

**Sustainable Ohio
Public Energy Council**

Sustainable Ohio Public Energy Council (SOPEC)

- A Council of Governments that manages aggregation programs for over 40 member governments
- SOPEC has a mission to provide simple, valuable, and reliable public energy programs that help communities achieve their local sustainable energy goals
- Current members include: Cities of Cleveland, Dayton, Athens, Chillicothe, and others
- Beholden to member communities, not shareholders

Process for joining a Council of Governments

- 1) Hold two public hearings
 - (Completed. Held 9/24/25 and 10/6/25)
- 2) Pass an ordinance accepting the Plan of Operation & Governance

Key Questions

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.

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.

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.

B Version

BE IT ORDAINED by the Council of the City of Cincinnati, State of Ohio:

Section 1. That the City Manager is authorized to enter into any agreements and take any action necessary for the City to join the Southeast Ohio Public Energy Council (“SOPEC”), including but not limited to entering into the Amended and Restated Agreement Establishing the Southeast Ohio Public Energy Council (DBA Sustainable Ohio Public Energy Council) (“SOPEC Agreement”) substantially in the form as attached, to implement the City’s participation in the SOPEC’s Electric Service Aggregation Programs and any additional programs referenced in the Plan as they apply to mercantile customers using over 700,000 kWh per year, as the City Manager determines is in the best interests of the City and its mercantile customers.

B Version

Section 5. That this ordinance shall be an emergency measure necessary for the preservation of the public peace, health, safety, and general welfare and shall, subject to the terms of Article II, Section 6, of the Charter, be effective immediately. The reason for the emergency is the immediate need for the City to join the SOPEC to achieve greater savings for the City's mercantile electric customers as soon as possible.

Committed to Community Outreach

To engage community members on the Energy Aggregation Program, the administration has utilized outreach strategies including:

- Home mailers
- Press outreach
- Print and radio media interviews
- Community presentations
- Council memos
- Educational videos
- Frequently Asked Questions on website



Questions

