



December 8, 2000

PRICE TO COMPARE IS A KEY CONSIDERATION IN CHOOSING AN ELECTRIC SUPPLIER

No matter what other factors you consider as you comparison shop for a new electricity supplier, one factor you'll probably look at is price. Can this supplier help cut my costs? If so, by how much?

The piece of information that will help you do this is the **price to compare**. This is the price that a new electric supplier must beat to save you money on your electricity supply.

HOW TO FIND YOUR AVERAGE PRICE TO COMPARE INFORMATION

You can find the average price to compare on a cents per kilowatt-hour (kWh) basis for your customer class and rate code in the charts included in this newsletter.

You will need to know which chart to use to find your price to compare. First, look at the lower right-hand corner of a recent AEP bill. The company authorized to transact business in Ohio as American Electric Power -- either

Columbus Southern Power or Ohio Power -- is your service company. You should refer to the chart for customers of that company.

Next, look at the "Current AEP Charges" section of your bill. The first line in that section will tell you your tariff code. You will need to match that information with the codes reported in the charts on the following page.

WHAT IS INCLUDED IN PRICE TO COMPARE?

Your price to compare includes your generation and transmission costs.

Your generation cost is what AEP currently charges for generating the power you use. The cost of the fuel used to generate your electricity is included in that charge. Depending on which tariff applies to your service, your generation charges may be a demand charge, an energy charge or both. These charges are included in your price to compare.

Your transmission cost includes charges for the transmission of electricity and related ancillary services. Depending on which tariff applies to your service, your transmission charges may be a demand charge, an energy charge or both. Transmission charges are included in the price to compare because either you or your supplier must arrange for transmission service.

WHAT ISN'T INCLUDED IN PRICE TO COMPARE?

The price to compare is for generation supply and transmission service only. It is not your total cost per kWh for electricity. Your total cost for electricity also includes:

- Distribution service and related charges including a distribution customer charge, a distribution demand and/or energy charge where applicable, the kWh tax, the Universal Service Fund rider, the Energy Efficiency Fund rider and other riders; and
- The Regulatory Asset Charge Rider (regulatory transition charge) which recovers expenses whose collection AEP has been authorized to defer over time.

Your total cost for electricity includes your price to compare (generation and transmission charges), distribution charges and transition charges as described above.

Note: In Ohio, AEP customers' price to compare includes the price of both generation and transmission service. Not all prices to compare of other companies or in other states are calculated this way. Always be sure that you are comparing figures that represent like costs.



**AVERAGE CLASS PRICES TO COMPARE DIFFER,
BUT WON'T CHANGE THROUGH MARKET DEVELOPMENT PERIOD**

Customer classes are broad groups of customers whose electric power needs generally are similar. Even so, specific customer use patterns and consumption characteristics differ. The numbers provided in the charts represent

average prices to compare for customers in each customer class. The average price to compare for each customer class will not change during the five years of the Market Development Period (2001-2005).

Price to Compare		
For commercial and industrial customers of Columbus Southern Power		
Schedule	Includes Codes	Price to Compare (¢/kWh)*
GS-1	077, 078, 202, 204, 206, 214, 224/225, 226/227, 732	6.34
GS-2	203, 207, 208, 209, 217, 218, 219, 220/221, 222/223, 228/229, 230/231	6.29
GS-3	201, 205, 210, 240, 241, 242, 250/251, 252/253	4.44
GS-4	311, 312	3.56
AL -- area light	090, 091, 092, 094, 095, 096, 097, 098, 100, 101, 102, 103, 104, 106, 107, 108, 110, 111, 115, 116, 117, 118, 119, 125, 126, 127, 131, 132, 133, 134, 136, 137, 138, 141, 142, 143, 145, 149	3.96

Price to Compare		
For commercial and industrial customers of Ohio Power Company		
Schedule	Includes Codes	Price to Compare (¢/kWh)*
GS-1	211, 213, 225/226	4.31
GS-2	214, 215, 217, 218, 219, 223/224, 229/230, 231, 232, 236, 237, 238, 239	4.08
GS-3	240, 242, 244, 245, 246, 248, 250, 251, 254, 256, 257	3.32
GS-4	322, 323, 324	2.93
EHG	208, 209, 210	3.39
EHS	631	1.80
SS	635	4.21
OL – outdoor light	090, 091, 093, 094, 095, 097, 098, 099, 107, 109, 110, 111, 114, 116, 117, 119	5.50

* Includes price for generation and transmission services.

Note: All price to compare information included in these charges are **average** prices for customers in that customer class and code. Your facility's actual price to compare depends on the facility's load factor. Load factor is the relationship between electric use and demand. It is commonly calculated by dividing the monthly electric use by the demand by the number of hours in the billing period.

Reminder: Switching Notice

AEP will waive its 90-day notice requirement for switch requests received before December 31. If AEP receives your switch request after January 1, 2001, and you have a contract for service under rate schedules GS-2, GS-3 or GS-4, you will need to give AEP 90 days notice of your intent to switch to a new electric supplier.

For more information about your price to compare, contact your AEP account representative or call AEP at 1-888-237-5566. AEP cannot provide comparison information or advise you on your choice. Comparative information for supplier service offerings, when available, will be located at www.OhioElectricChoice.com.