

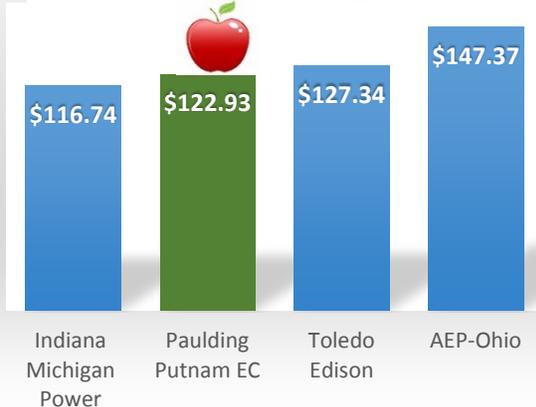
Comparing Apples to Apples

When it Comes to Your Monthly Electricity Bill



Monthly Electric Comparison

Based on 1000 kWh usage per



Paulding Putnam Electric Co-op gets asked the question about high electric bills often. This magazine issue is dedicated to explaining how PPEC compares to other electric companies. Currently, PPEC has the lowest cooperative rates in the region and we want our members to understand, when it comes to cost, every decision we make is with the members' wallet in mind.

If you should have further questions, regarding the cost of your monthly bill, we always encourage our members to call our office at 1-800-686-2357.

According to the 2014 Annual Statistical Report conducted by Ohio Rural Cooperatives, Paulding Putnam Electric:

- PPEC has the lowest rates in Northwest Ohio

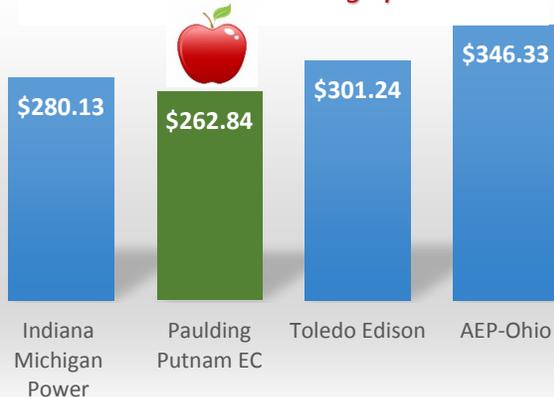
- PPEC has the second lowest rates among Ohio Cooperatives

- PPEC has the third lowest compared to all other utilities in the state of Ohio.

- Our rates in Indiana are comparable and competitive with Indiana Michigan Power.

- *Visit **PPEC.coop** for a complete comparison list of all utilities

Based on 2500 kWh usage per month

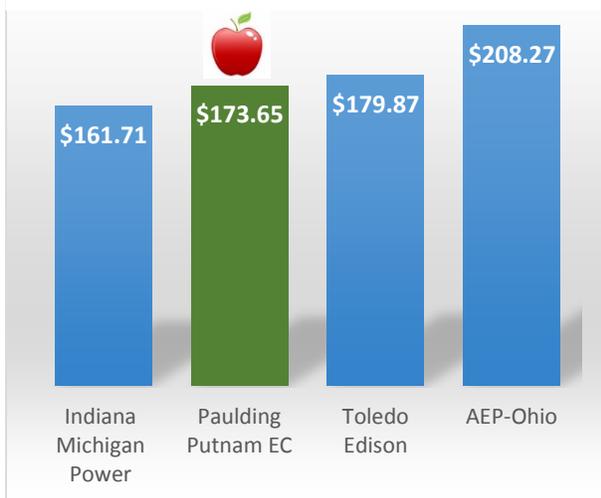


The state of Ohio has an electric rate comparison tool on their website. See for yourself how PPEC's rates compare with for-profit electric companies across the state.

www.energychoice.ohio.gov



Average PPEC Member usage per month is 1413 kWh



What about PPEC's Monthly Service Charge?

PPEC's Monthly Service Charge is right in line with other Ohio Cooperatives. The average is \$26.86 and PPEC's monthly service charge is \$29.50. The service charge is used for the cost associated with distributing power to your home.

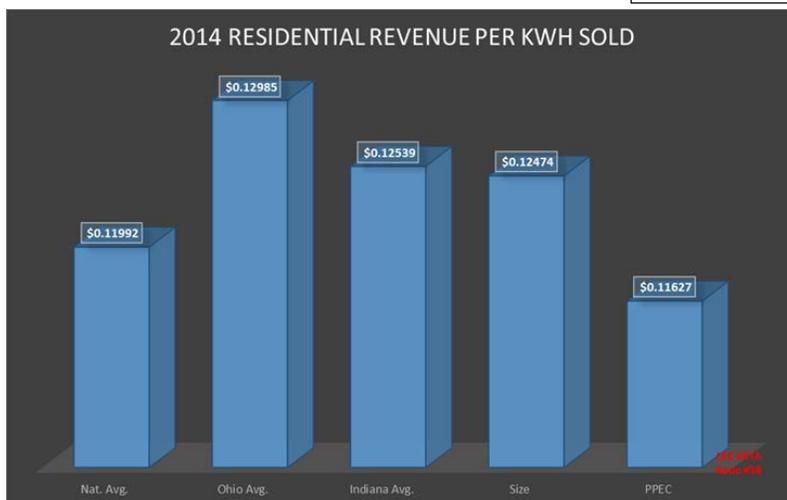
PPEC's monthly service charge is higher than other for profit electric companies, but the reasoning behind it, is population. If you consider population, PPEC is comparable with for profit electric companies, if not lower because our rates are low.

Cooperatives were established to serve rural areas. Rural areas are not as densely populated as towns, cities, or even villages. PPEC has 1690 miles of line serve approximately 12970 members. Simple math indicates that there are approximately 7.6 members sharing the cost of the line per mile. Compare that to several hundred customers in a city sharing a similar cost per mile of line or a smaller town of approximately 40 sharing the cost. If we continue doing the math:

7.6 houses per mile: PPEC members x \$29.50 = \$224.20

27 houses per mile: AEP customers x 8.40 = \$226.80

* Data from Buckeye Power, Inc.



How do we Rate Compared to other Co-ops?

PPEC has the lowest rates per kWh sold in the entire state of Ohio when it comes to electric cooperatives and as you can see from the graph created from 2014 audited financial reports, we're close to the national average and well below the Ohio and Indiana state averages.

Member Satisfaction Score



PPEC received a score of 82, which is an average score on a survey conducted by The American Customer Satisfaction Index (ACSI). The survey was taken in March 2015.

Overall Satisfaction

(Taken directly from survey results)

Overall satisfaction with Paulding Putnam Electric Cooperative is very good. PPEC's ACSI of 82 is higher than Touchstone Energy and many IOU industry leaders.

Compared to the 2014 study, mean ratings for overall satisfaction and the extent to which the co-op meets expectations have increased significantly. The ACSI score has increased by 3 points since 2014.

- ▶ The co-op is rated most positively for their employees -- *having friendly, courteous employees and having employees who are highly trained and professional.*
- ▶ Conversely, the attribute on which the co-op is rated least well is *charging reasonable rates.* (refer to graphs)
- ▶ As is typical, *charging reasonable rates* is the lowest-rated attribute in the study. PPEC is evaluated positively for *communicating about rising energy costs and helping members to be more energy efficient.*

▶ Member Service remains a priority area for the co-op to maintain high ratings. Thirty-nine percent of those who contacted the co-op in the past year say the contact was somewhat or much better than expected and very few say it was worse than expected.

ACSI	
Paulding Putnam Electric Co-op	82
All Ohio Co-ops (Weighted Average)	82
Atmos Energy	82
CenterPoint Energy	81
Touchstone Energy	80
Largest Cooperatives	80
Sempra Energy	79
First Energy	79
All Other Cooperatives	78
American Electric Power	74
Largest Investor Owned Utilities	74
Largest Municipal Utilities	73
All Other Municipal Utilities	73
All Other Investor Owned Utilities	73
Duke Energy	72

We are constantly striving to improve our relationship with our members. Currently, we are rated as average among co-ops, but we are working as a whole to be rated excellent. As a member-owner of Paulding Putnam Electric, we encourage you to help us get better at serving you.

We appreciate any feedback. Please visit our website and fill out the quick member service survey.

Please visit:

www.ppec.coop/customer-service-survey