

Ohio CBP Process Frequently Asked Questions - Payment

<u>FAQ#</u>	<u>Date of Posting</u>	<u>Question / Answer</u>
PAY001	5-Nov-08	<p>Question: Are Suppliers paid the auction clearing price or are they paid the SSOGC (the latter including adjustment for distribution losses, seasonal factors and CAT tax). If the latter, then is it correct to assume that the bid submitted during the auction should only account for transmission level losses in the price since the SSOGC will account for the distribution losses?</p> <p>Answer: A winning SSO supplier for the specified tranche product will receive the auction clearing price for that tranche product times a seasonal factor (there will be Summer Seasonal factors in effect for June 1 through August 31 and Winter Seasonal factors for all remaining months) for every MWh of SSO load served. These seasonal factors are designed to align a winning SSO supplier's revenue stream with their underlying power supply costs. Seasonal factors will be effective January 1, 2009 and will be announced to suppliers prior to the CBP. These final seasonal factors will be constant during the duration of each SSO Master Agreement.</p>