

# Why Ohio's Electric Rates Are Rising: The PJM Capacity Auction Explained

In June 2024, PJM Interconnection, which manages the electric grid for 13 states including Ohio, held a capacity auction that resulted in dramatically higher capacity prices. This means higher electric bills for all electric customers in Ohio and the other 12 states PJM serves.

**These new prices will go into effect from June 2025 – May 2026.**

## How will the results of this auction impact electricity bills?

The PJM auction for the June 2025 – May 2026 period resulted in an 800% increase in capacity prices. For the average household in Ohio, this means electricity costs could go up by about 10-15%, which is around 2 cents more per kilowatt-hour (kWh).

## Is this capacity price increase in NOPEC's control?

NOPEC has no control over the PJM capacity auctions which set capacity prices that are passed through to all residential and commercial electric customers in PJM's footprint, including Ohio.

## What can I do to help offset this cost increase?



### Keep Devices Unplugged

**Save up to \$100 per year** by unplugging electronics and appliances when not in use, avoiding phantom energy consumption.



### Adjust Thermostat Settings

**Save up to 10% on your heating and cooling costs** by setting your thermostat a few degrees lower in the winter and a few degrees higher in the summer



### Use Ceiling Fans for Cooling

**Save up to 15% on cooling costs** by turning your air conditioning down by two degrees and using your ceiling fans to stay cool.



### Use Energy-Efficiency Light Bulbs

**Save up to \$75 per year** by replacing all your light bulbs with LED bulbs, which use significantly less energy than incandescent or CFL bulbs.



### Wash Clothes in Cold Water

**Save up to \$60 per year** by washing your clothes in cold water rather than hot.



### Seal Leaks in Doors and Windows

**Save up to 20% on heating and cooling costs** by using weather stripping or caulk to seal leaks around windows and doors.