



CITY COMMISSIONERS

DANIEL J. KAMAN, President
DANNIE K. EDMON, Vice President
BRIAN C. CRANDALL
BRETT L. FUQUA, SR.
DENNIS E. MURRAY, JR.
CRAIG H. STAHL
DAVID L. WADDINGTON

MICHAEL J. WILL, City Manager
DONALD C. ICSMAN, Law Director
EDWARD A. WIDMAN, Finance Director
B. JOYCE BROWN, Commission Clerk

222 MEIGS STREET
SANDUSKY, OH 44870
Phone: 419.627.5844
FAX: 419.627.5825

www.ci.sandusky.oh.us

October 27, 2006

Mrs. Betty McCauley
Acting Secretary
The Public Utilities Commission of Ohio
180 East Broad Street
13th Floor
Columbus, OH 43266-0573

Re: *In the Matter of the Application of
The City of Sandusky, for
Re-Certification as a Governmental Aggregator
Case No. 00-2494-EL-GAG*

Dear Ms. McCauley:

Enclosed please find the City of Sandusky's completed **RE-CERTIFICATION APPLICATION FOR GOVERNMENTAL AGGREGATORS**. We have enclosed an original application, notarized and signed by an authorized official and ten conformed copies, including all exhibits, and other attachments.

The material provided includes the following:

- 1) Authorizing ordinance directing the City to effect a Governmental Electric Aggregation Program with opt-out provisions;
- 2) Plan of Operation and Governance;
- 3) Copies of Automatic Aggregation Disclosures.

Should you have any questions or need additional information, please contact our aggregation program manager, Mr. Terry Leach of AMPO, Inc., at tlease@amp-ohio.org.

Respectfully submitted,

Michael J. Will
City Manager

"MAKING SANDUSKY A PLACE WHERE PEOPLE CHOOSE TO LIVE, WORK AND PLAY"

RECEIVED-DOCKETING DIV
2006 NOV -6 PM 3:29
PUCO

This is to certify that the images appearing are an accurate and complete reproduction of a case file document delivered in the regular course of business
Date Processed 11-05-06
Technician C



The Public Utilities Commission of Ohio

Original GAG Case Number	Version
00 - 2494-EL-GAG	August 2004

RENEWAL APPLICATION FOR GOVERNMENTAL AGGREGATORS

Please print or type all required information. Identify all attachments with an exhibit label and title (Example: Exhibit A-4 Opt-Out Form). All attachments should bear the legal name of the Applicant and should be included on the electronic copy provided. Applicants should file completed applications and all related correspondence with: Public Utilities Commission of Ohio, Docketing Division, 180 East Broad Street, Columbus, OH 43215-3793.

**This PDF form is designed so that you may input information directly onto the form.
You may also download the form, by saving it to your local disk, for later use.**

A. RENEWAL INFORMATION

A-1 Applicant's legal name, address, telephone number, PUCO certificate number, and web site address

Legal Name City of Sandusky
Address 222 Meigs Street, Sandusky, Ohio 44870
PUCO Certificate # and Date Certified 01-056 (3); 02/03/05
Telephone # (419) 627-5844 Web site address (if any) www.ci.sandusky.oh.us

A-2 Exhibit A-2 "Authorizing Ordinance" provide a copy of the ordinance or resolution authorizing the formation of a governmental aggregation program adopted pursuant to Section 4928.20(A) of the Revised Code.

A-3 Exhibit A-3 "Operation and Governance Plan" provide a copy of the applicant's current plan for operation and governance of its aggregation program adopted pursuant to Section 4928.20(C) of the Revised Code. The Operation and Governance Plan explained in Exhibit A-3 should include:

- Terms and conditions of enrollment including:
 - Rates
 - Charges
 - Switching fees, if any
- Policies associated with customers moving into/out of aggregation area
- Billing procedures
- Procedures for handling complaints and disputes including the toll-free telephone number and address for customer contacts

A-4 Exhibit A-4 Automatic Aggregation Disclosure - "Opt-out Form" provide a copy of the disclosures/"opt-out" required by Section 4928.20(D) of the Revised Code, if its aggregation program provides for automatic aggregation in accordance with Section 4928.20(A) of the Revised Code. If the opt-out is in draft form, docket the final opt-out (including beginning and ending dates of the 21-day -out period and the selected CRES supplier) with the Commission within 10 days prior to providing or offering service. See #12 in the attached Affidavit .

A-5 Contact person for regulatory or emergency matters

Name Title Business address
Telephone # E-mail address (if any)
Michael WillCity Manager222
Meigs Street, Sandusky, Ohio
44870419 627-5844

Fax # 419 627-5825

A-6 Contact person for Commission Staff use in investigating customer complaints

Name Title Business address
Telephone # E-mail address (if any)
Ms. Kelly KresserAdministrative
Assistant222 Meigs Street,
Sandusky, Ohio 44870419 627-
5844kkresser@ci.sandusky.oh.us

Fax # 419 627-5825

A-7 Applicant's address and toll-free number for customer service and complaints

Customer Service address 222 Meigs Street, Sandusky, Ohio 44870

Toll-free Telephone # kkresser@ci.sandusky.oh.us

Fax #
419 627-5825888 505-4188 E-mail address (if any)

Signature of Applicant & Title

Michael Will CITY MANAGER

Sworn and subscribed before me this 25th day of October, 2006 Month Year Signature of official administering oath

Print Name and Title

Kelly L. Kresser, Notary Public

Kelly L. Kresser

My commission expires on 6.5.11

AFFIDAVIT

State of Ohio :

Sandusky ss.
(Town)

County of Erie :

Michael J. Will, Affiant, being duly sworn/affirmed according to law, deposes and says that:

He/She is the City Manager (Office of Affiant) of the City of Sandusky (Name of Applicant);

That he/she is authorized to and does make this affidavit for said Applicant,

1. The Applicant herein, attests under penalty of false statement that all statements made in the application for certification renewal are true and complete and that it will amend its application while the application is pending if any substantial changes occur regarding the information provided in the application.
2. The Applicant herein, attests it will timely file an annual report with the Public Utilities Commission of Ohio of its intrastate gross receipts, gross earnings, and sales of kilowatt-hours of electricity pursuant to Division (A) of Section 4905.10, Division (A) of Section 4911.18, and Division (F) of Section 4928.06 of the Revised Code.
3. The Applicant herein, attests that it will timely pay any assessments made pursuant to Sections 4905.10, 4911.18, or Division F of Section 4928.06 of the Revised Code.
4. The Applicant herein, attests that it will comply with all Public Utilities Commission of Ohio rules or orders as adopted pursuant to Chapter 4928 of the Revised Code.
5. The Applicant herein, attests that it will cooperate fully with the Public Utilities Commission of Ohio, and its Staff on any utility matter including the investigation of any consumer complaint regarding any service offered or provided by the Applicant.
6. The Applicant herein, attests that it will fully comply with Section 4928.09 of the Revised Code regarding consent to the jurisdiction of Ohio Courts and the service of process.
7. The Applicant herein, attests that it will comply with all state and/or federal rules and regulations concerning consumer protection, the environment, and advertising/promotions.
8. The Applicant herein, attests that it will use its best efforts to verify that any entity with whom it has a contractual relationship to purchase power is in compliance with all applicable licensing requirements of the Federal Energy Regulatory Commission and the Public Utilities Commission of Ohio.
9. The Applicant herein, attests that it will cooperate fully with the Public Utilities Commission of Ohio, the electric distribution companies, the regional transmission entities, and other electric suppliers in the event of an emergency condition that may jeopardize the safety and reliability of the electric service in accordance with the emergency plans and other procedures as may be determined appropriate by the Commission.
10. If applicable to the service(s) the Applicant will provide, the Applicant herein, attests that it will adhere to the reliability standards of (1) the North American Electric Reliability Council (NERC), (2) the appropriate regional reliability council(s), and (3) the Public Utilities Commission of Ohio. (Only applicable if pertains to the services the Applicant is offering)

11. The Applicant herein, attests that it will inform the Commission of any material change to the information supplied in the renewal application within 30 days of such material change, including any change in contact person for regulatory purposes or contact person for Staff use in investigating customer complaints.
12. The Applicant herein, attests that if the opt-out is in draft form, the Applicant will docket the final opt-out (including beginning and ending dates of the 21-day -out period and the selected CRES supplier) with the Commission within 10 days prior to providing or offering service.

That the facts above set forth are true and correct to the best of his/her knowledge, information, and belief and that he/she expects said Applicant to be able to prove the same at any hearing hereof.

Michael Will CITY MANAGER
Signature of Affiant & Title

Sworn and subscribed before me this 25th day of October, 2006
Month Year

Kelly L. Kresser
Signature of official administering oath

Kelly L. Kresser, Notary Public
Print Name and Title

My commission expires on 6.5.11

ORIGINAL

ORDINANCE NO. 00-239

AN ORDINANCE DIRECTING THE CITY MANAGER TO AUTHORIZE THE CITY OF SANDUSKY TO ACT AS AN AGGREGATOR ON BEHALF OF THE OHIO EDISON / FIRST ENERGY POWER COMPANY CUSTOMERS WITHIN THE CITY FOR ELECTRICAL POWER IN THE YEAR 2001 AND THEREAFTER.

WHEREAS, pursuant to Article XVIII, Section 4 of the Ohio Constitution, the City of Sandusky has plenary power to, among other things, own and operate municipal utilities or to contract with others for the provision of utility services to the residents and businesses located within the City; and

WHEREAS, pursuant to R.C. Section 4928.01 et seq., municipalities and others may aggregate customers within their jurisdiction in order to facilitate "customer choice" in electric power suppliers and to promote lower cost electric utility services within the City; and

WHEREAS, aggregation by the City may permit customers within the City to realize lower electric rates from the collective purchasing of electric services; and

WHEREAS, the City of Sandusky desires to submit an ordinance to the Board of Elections to submit to the electors of the City of Sandusky the question of whether the City should create an aggregation program in accordance with R.C. Section 4928.20; and

WHEREAS, this ordinance constitutes an emergency measure providing for the immediate preservation of the public peace, property, health or safety in that it might be certified to the Erie County Board of Election authorities by Thursday, August 24, 2000, in order for the question to appear at an election to be held in November, 2000, to establish a retail aggregation program for the benefit of the City's electric consumers by January 1, 2001, the date that "customer choice" commences in Ohio pursuant to R.C. Section 4928.01, et seq., NOW THEREFORE.

BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF SANDUSKY, OHIO,

Section 1. That the City Commission hereby authorizes the submission to the electors of the City of Sandusky at an election to be held at the usual places of voting of said City on Tuesday, November 7, 2000, of a proposal to authorize the City of Sandusky to act as an aggregator on behalf of the customers within the City for electric power in the year 2001 and thereafter in accordance with R.C. Section 4928.20;

Section 2. That the proposed aggregation authorization, upon receiving at least a majority of the votes cast thereon at the November 7, 2000, election, shall become effective immediately upon its adoption, and the City's aggregation program shall thereafter commence in accordance with the plan of operation to be established pursuant to R.C. Section 4928.01, et seq. If the proposed aggregation authorization is so adopted, all customers within the City shall automatically be included in the City's aggregation program, provided, however, that each customer shall have an opportunity to opt out of the City's aggregation program;

Section 3. That the Clerk of this Commission is hereby authorized to promptly forward a certified copy of this ordinance to the Board of Elections of Erie County by no later than August 24, 2000;

Section 4. That the Board of Elections of Erie County shall cause an appropriate notice to be duly given of the election to be held on November 7, 2000, on the foregoing

ORIGINAL

PAGE 2 - ORDINANCE NO. 00- 239

proposal and otherwise to provide for such election in the manner provided by the general laws of the State of Ohio;

Section 5. That the Clerk of the Commission is hereby authorized to cause the full text of this Ordinance to be published once a week for two consecutive weeks in a newspaper of general circulation published in the City of Sandusky with the first publication to be made at least fifteen days prior to the election to be held on November 7, 2000, as provided in Article XVIII, Section 9 of the Constitution of the State of Ohio and Section 731.211 of the Ohio Revised Code;

Section 6. That it is found and determined that all formal actions of the City Commission concerning and relating to the passage of this ordinance were passed in an open meeting of this Council, and that all deliberations of this Council and any of its committees that resulted in such formal action were in meetings open to the public in compliance with all legal requirements;

Section 7. That the ballot submitting the question of the adoption of the aforesaid proposal shall read as follows:

A majority affirmative vote is necessary for passage.

Shall the City of Sandusky have authority to act as an aggregator on behalf of the Ohio Edison / First Energy Power Company customers within the City in the year 2001 and thereafter?

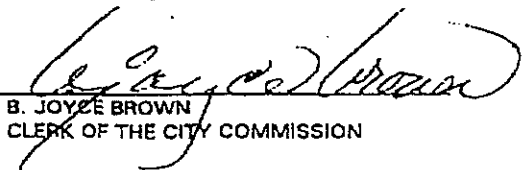
☐ FOR THE CITY OF SANDUSKY ACTING AS AN AGGREGATOR ON BEHALF OF OHIO EDISON / FIRST ENERGY POWER COMPANY CUSTOMERS WITHIN THE CITY OF SANDUSKY.

☐ AGAINST THE CITY OF SANDUSKY ACTING AS AN AGGREGATOR ON BEHALF OF OHIO EDISON / FIRST ENERGY POWER COMPANY CUSTOMERS WITHIN THE CITY OF SANDUSKY.

Section 8. That this ordinance is hereby declared to be an emergency measure and, provided it receives the affirmative vote of two-thirds of all the members elected to Council, it shall take effect and be in force immediately upon its passage otherwise it shall take effect and be in force from and after the earliest period allowed by law.


MICHAEL J. KRESSER
PRESIDENT OF THE CITY COMMISSION

ATTEST:


B. JOYCE BROWN
CLERK OF THE CITY COMMISSION

Passed: AUGUST 21, 2000

City of Sandusky, Ohio Municipal Electric Aggregation Program

Plan of Operation and Governance

**Adopted by the City Commission
January 22, 2001**

1. Overview

At the November 7, 2000 general election, local residents authorized the City of Sandusky ("the City") to create a municipal opt-out electric aggregation program ("the Aggregation Program") as provided under Section 4928.20 of the Ohio Revised Code. Under the opt-out electric aggregation program, all eligible electric consumers within the City's corporation limits will be automatically included in the Aggregation Program initially. However, all consumers will also be given the opportunity to opt out of or decline participation in the Aggregation Program as detailed herein.

The City's purpose in creating the Aggregation Program is to represent local consumer interests in emerging competitive electricity markets by aggregating electric loads within the City's corporation limits (including municipal facilities) and negotiating affordable, reliable electric supplies and other related services on behalf of local consumers. The City may pursue this purpose individually or in cooperation with other entities.

Many small commercial and residential electric consumers lack the knowledge and leverage to effectively negotiate power supply rates and services. A governmental aggregation program provides them with an option for professional representation and the bargaining power of a larger, more diverse consumer group that may be more attractive to suppliers, allowing them to effectively participate in the competitive process and achieve benefits.

The Aggregation Program is designed to reduce the amount a consumer pays for electric energy, and to gain other favorable economic and non-economic terms in service contracts. The City will not buy and resell power, but will represent collective consumer interests to set terms and conditions for service. Through a negotiation process, the City will develop a contract with a Competitive Retail Electric Services Provider (CRES Provider) or Providers for firm all-requirements electric service. The contract will run for a fixed term (i.e., one to five years). Once the contract has been finalized, it will be submitted to the Sandusky City Commission for approval.

Initially, each eligible consumer within the City's corporation limits will be automatically included in the Aggregation Program on a non-discriminatory basis. However, prior to actual enrollment, each consumer will receive a notice from the City detailing the Aggregation Program's rates, terms and conditions.

Each consumer will then have a 21-day period to opt out of or decline to participate in the Aggregation Program without charge. Consumers opting out of the program will remain on FirstEnergy's Standard Offer Generation Service until such time as they select an approved CRES Provider. A similar opt-out period will be offered every two years during which time consumers can leave the Aggregation Program without paying an early termination fee.

Participants who leave the Aggregation Program and wish to return, as well as consumers who move into the City after the initial opt-out period will be afforded the opportunity to enroll in the Aggregation Program. However, the City cannot guarantee rates, terms and conditions to consumers enrolling in the Aggregation Program after the initial 21-day opt-out period.

Participants who relocate within the City limits and retain the same FirstEnergy account number will be allowed to continue in the Aggregation Program at their new locations under the same terms and conditions as at their former locations (subject to any switching fees imposed by FirstEnergy), provided the FirstEnergy rate classification is the same at both locations and if corresponding MSG remains or is made available by FirstEnergy for that customer. If MSG is not available in this circumstance, the CRES Provider will offer either the Master Service Agreement price or a market-based price to that customer.

The City will enter into a Master Service Agreement with a CRES Provider to implement and operate the Aggregation Program. Contracts for power supply and other related services will be negotiated, recommended, and monitored for compliance by the City on behalf of local consumers.

The Aggregation Program covers the power supply or generation portion only of a participant's electric bill. FirstEnergy will continue to deliver electricity to Aggregation Program participants' homes and businesses through its electric transmission and distribution system as a monopoly function regulated by the Public Utilities Commission of Ohio (PUCO). FirstEnergy will also continue to install, operate and maintain its system of poles, wires, transformers and other electric distribution components. Aggregation Program participants should continue to call FirstEnergy if their power goes out or if they have billing questions. The PUCO will continue to oversee FirstEnergy's electric safety and reliability service standards.

The City developed this Plan of Operation and Governance in compliance with Ohio law regarding municipal opt-out aggregation of electric consumers, including at least two public hearings prior to its adoption.

2. Plan of Operation and Governance

The Sandusky City Commission shall approve through resolution or ordinance the Aggregation Program's Plan of Operation and Governance in accordance with Ohio

Revised Code Section 4928.20. Amendments to the Plan of Operation and Governance may be subject to Sandusky City Commission approval and filing with the PUCO.

3. Aggregation Program Structure and Management

Oversight of the Aggregation Program will be the responsibility of the City Manager, who shall report to the City Commission. The City Manager will have the authority to develop specifications for the Aggregation Program, to appoint an Aggregation Program Manager, and to select, hire and manage the CRES Provider.

The CRES Provider and the Aggregation Program Manager will work under the direction of the City Manager with the advice and counsel of the City Attorney.

Due to the complexity of the electric utility industry and the uncertainties of its associated restructuring activities, the City Manager may contract with a consultant or consultants to provide the necessary expertise to represent the City's interest in legislative and regulatory matters and/or to serve as the Aggregation Program Manager. Such services may include, but are not limited to facilitating consumer enrollment and opt-out, assisting with consumer education, addressing consumer questions and concerns, providing reports on program operation, enrollment and savings, negotiating future CRES Provider contracts, and representing the City in dealings with CRES Providers, FirstEnergy, the Ohio Legislature, the PUCO and the OCC.

3.1 *Selection of a CRES Provider*

The City will not buy and resell power to Aggregation Program participants. The City will negotiate with potential CRES Providers to provide affordable, reliable electric supplies and other electric related services on behalf of local consumers. The City will consider cooperating with other governmental aggregators if it appears beneficial to do so.

Through a negotiation process, the City will develop a Master Service Agreement (MSA) with a CRES Provider or Providers for firm, all-requirements service. The initial term of the MSA may be up to five (5) years corresponding with FirstEnergy's five-year retail electric competitive market development period or such shorter market development period as ordered by the PUCO.

The City will contract only with a CRES Provider or Providers that meet at a minimum the following criteria:

- Certified as a CRES Provider by the PUCO
- Registered as a generation supplier with FirstEnergy
- Have a Service Agreement for Network Integration Transmission Service under FirstEnergy's or ATSI's Open Access Transmission Tariff, as appropriate
- Have a Service Agreement under FirstEnergy's Market-based Rate Tariff

- Demonstrate that its Electronic Data Interchange (EDI) computer network is fully functional and capable of handling aggregation requirements.
- Successfully completed EDI computer system testing with FirstEnergy
- Meet standards of creditworthiness established by the City
- Have a customer call center capable of effectively handling participants' questions, concerns and disputes in a timely manner using a toll-free telephone number
- Hold the City harmless from any financial obligations arising from offering electricity and/or energy-related services to Aggregation Program participants
- Satisfy the State of Ohio's and FirstEnergy's credit requirements
- Negotiate with the City and execute the MSA
- Assist the City in developing detailed opt-out and opt-in procedures
- Provide the Automatic Aggregation Disclosure notice
- Affirmatively state the expected annual saving percentage for Aggregation Group participants
- Assist the City in holding public hearings on the Plan of Operation and Governance
- Submit a claim for MSG capacity to serve the Aggregation Program
- Notify aggregation program participants of the first month of aggregation power delivery

4. Enrollment and Termination of Aggregation Service

4.1 *Initial Consumer Notification and Enrollment*

After approval of the MSA by the Sandusky City Commission, the CRES Provider will work with the City and FirstEnergy to identify all eligible consumers within the City's corporation limits.

All eligible consumers will be notified in writing of the rates, charges and other terms and conditions of participation in the Aggregation Program and that they will be automatically enrolled in the Aggregation Program unless they opt out of or decline participation in the program. Consumers will be given a 21-day period in which to notify the City that they wish to opt out of or decline participation in the Aggregation Program. Moreover, if Market Support Generation (MSG) capacity is obtained from FirstEnergy, consumers will be notified again of the rates (which may include further reductions) and be given an opportunity to again switch out of the program. The opt-out notice shall include at least the following Aggregation Program information:

- Rates and charges
- Terms and conditions
- CRES Provider information and contacts
- CRES Provider's toll-free number for customer service and concerns
- City Aggregation Program Manager's contact information

- Consumer education information
- The 21-day opt-out period and opt-out procedures
- Consumer's right to opt-out every two years with no switching fee

Consumers may use one or more of the following methods to opt out of the program:

- 1) Returning a post card or other form provided in the opt-out letter;
- 2) Telephone;
- 3) Internet.

After the initial 21-day opt out and MSG-related switch periods have elapsed, all eligible consumers who have not notified the City of their desire to opt out of the Aggregation Program will be enrolled by the CRES Provider at the earliest date practicable. Participants will not be required to take other affirmative steps to be included in the program.

Consumers ineligible to participate in the Aggregation Program include those customer accounts that are located outside the City's municipal boundaries, customers who are in contract with a CRES provider, customers in a "special rate" contract with FirstEnergy, Percentage Income Payment Plan (PIPP) consumers and consumers whose accounts are not current with FirstEnergy. (The aggregation of PIPP customers is under the direction of the State of Ohio.)

Consumers enrolled in the Aggregation Program by the CRES Provider will receive a rescission letter from FirstEnergy notifying them of their enrollment and granting them seven calendar days to notify FirstEnergy of any objection to their enrollment in the Aggregation Program. FirstEnergy will notify the CRES Provider of consumer objections or any reason that a consumer was not enrolled in the Aggregation Program and CRES Provider will maintain a list of customers who have opted out under the program rules. The CRES Provider will report to the City the status of Aggregation Program enrollment on at least a monthly basis.

4.2 *Leaving the Aggregation Program*

Participants who wish to leave the Aggregation Program may do so:

- During the initial 21-day opt-out period
- During subsequent opt-out periods offered by the City at least every two years
- At any other time; however an early termination fee may be assessed

In addition to the initial 21-day opt-out period described above, each participant will be given an opportunity to opt out of the Aggregation Program every two years without paying an early termination fee. Consumers who choose to opt out of the Aggregation Program at any time other than during the initial 21-day opt-out period or during

subsequent opt-out periods offered by the City may be subject to an early termination fee assessed by the CRES Provider.

Aggregation Program participants who wish to opt-out of the program after the initial 21-day opt-out period will be allowed to do so effective with the consumer's next meter reading date, subject to FirstEnergy's notice requirements.

Any consumer who opts out of the Aggregation Program will be returned to FirstEnergy's Standard Offer Generation Service until such time as the consumer selects another approved CRES Provider.

If a participant relocates outside of the City's corporation limits, there will be no exit fee and service will end under the aggregation program as described above.

4.3 *New and Returning Participants*

Participants who leave the Aggregation Program and wish to return, participants who initially opt out of the program and later wish to join, as well as consumers who move into the City after the initial 21-day opt-out period will be afforded the opportunity to enroll in the Aggregation Program. However, the City cannot guarantee rates, terms and conditions to consumers enrolling in the Aggregation Program after the initial 21-day opt-out period. Consumers may contact the Aggregation Program Manager to obtain current enrollment information.

Participants who relocate within the City limits and retain the same FirstEnergy account number will be allowed to continue in the Aggregation Program at their new locations under the same terms and conditions as at their former locations (subject to any switching fees imposed by FirstEnergy), provided the FirstEnergy rate classification is the same at both locations and if corresponding MSG remains or is made available by FirstEnergy for that customer. If MSG is not available, the City cannot guarantee that the consumer will receive the same price.

Consumers who opt-in to the Aggregation Program do so for the remaining term of the MSA. However, all consumers retain the right to opt-out every two years without paying a switching fee.

The CRES Provider will comply with all local, state and federal rules and regulations regarding discontinuing service to Aggregation Program participants.

5. Rates, Other Costs and Billing

5.1 *Electric Supply Charges*

The City will aggregate electric loads within the City's corporation limits (including municipal facilities) and negotiate mutually agreeable price terms with CRES Providers for

affordable, reliable electric supplies and other related services on behalf of local consumers. The City may pursue this purpose individually or in cooperation with other entities. CRES Providers will supply information on electric supply charges by FirstEnergy customer rate classification or other appropriate pricing category as approved by the City. All electric supply charges will be fully and prominently disclosed in consumer enrollment materials and will be subject to approval by the Sandusky City Commission.

5.2 *FirstEnergy's Regulated Customer Classifications and Rates*

FirstEnergy assigns customer rate classifications, character of service and associated regulated rates subject to PUCO approved tariffs. In addition to the CRES Provider's generation charges, consumers will continue to be billed for FirstEnergy's service and delivery charges. Although the City may participate in regulatory proceedings and represent the interests of consumers regarding these regulated rates, it cannot assign or alter customer rate classifications.

It is the intention of the city to offer its aggregation program to eligible customers in any and all customer classifications, and in all rate categories, for which the CRES Provider can offer a savings compared to FirstEnergy generation cost.

5.3 *Developing the Pool of Eligible Accounts*

The City shall request FirstEnergy to provide current customer information for all customers within the municipal boundaries. The provided information shall include:

- Customer name;
- Customer service address;
- Customer billing address;
- FirstEnergy customer account number;
- FirstEnergy rate code;
- FirstEnergy PIPP code;
- Customer load data;
- Whether or not a customer has a present contract with a CRES Provider;
- Whether or not customer has a special service contract with FirstEnergy.

From this information, the City and the CRES Provider will develop the pool of customers eligible to participate in the aggregation program, for which the CRES Provider can offer savings.

5.4 *Other Costs*

Governmental aggregation program participants are assessed a one time, \$5 switching fee by FirstEnergy. In the event this fee cannot be waived, it fee will be paid by the Aggregation Program participants. The City will not be responsible for paying the switching fee.

5.4 *Customer Billing*

The CRES Provider will comply with the customer billing requirements of O.R.C. Section 4928.10 and all applicable PUCO rules and regulations. The CRES Provider will use FirstEnergy's "Rate Ready Consolidated Billing" method initially in which each consumer account receives one bill itemizing the CRES Provider's electric supply charges and FirstEnergy's delivery, transition and other PUCO-approved charges. The CRES Provider may provide supplier consolidated billing if and when it becomes available, subject to Sandusky City Commission approval, which approval will not be unreasonably withheld. Any proposed use of a two-bill option must be approved by the City. The CRES Provider will offer a budget billing option to participants.

6. CRES Provider Responsibilities

The CRES Provider will work with the City to develop an education plan for retail electric consumers in the City. The City and the CRES Provider will, where practicable, provide consumer education messages that are consistent with the messages of FirstEnergy's local campaign, and the statewide electric consumer education program. The requirements of the City's consumer education plan will be provided in the MSA.

The CRES Provider will build and maintain a database of all Aggregation Program participants. The database will include the name, address, FirstEnergy service delivery identification (SDI) number and may include other pertinent information as agreed upon by the City and the CRES Provider. Such information may include the CRES Provider's account number (if different from FirstEnergy's SDI number), rate code, rider code (if applicable), most recent 12 months of kWh consumption and kW demand, and meter reading cycle. The Aggregation Program database will be updated at least quarterly. The City will have the right to access information in the database for the purposes of auditing.

The City deems any and all information related to an eligible customer to be confidential and proprietary trade secret information. The CRES Provider shall keep all eligible customer information provided to it by the City or FirstEnergy in supplying eligible customers within the City's corporation limit confidential and shall not disclose such information to any third party, unless such disclosure is required to serve any eligible customer, the third party agrees to keep such eligible customer information confidential, and the City consents to the disclosure of such information to the third party.

The CRES Provider will provide and maintain the required Electronic Data Interchange (EDI) computer system to effectively process Aggregation Program enrollments, opt outs, billing, etc, with FirstEnergy.

The CRES Provider will provide a local or toll free telephone number for participant questions and concerns about enrollment, opt-out provisions, billing and other Aggregation Program issues.

The CRES Provider will develop internal controls and processes to help ensure that the City remains in good standing as a governmental aggregator that complies with all laws, rules, and regulations regarding the same as they may be periodically amended.

7. Reliability and Customer Service

For the protection of retail electric consumers in Ohio, the PUCO has adopted rules governing minimum service, quality, safety, and reliability practices for local utilities like FirstEnergy. The rules provide standards for inspection, maintenance, repair, and replacement of the transmission and distribution lines of each local utility. The rules also impose standards on utilities for system operation, reliability, and safety during emergencies and disasters.

FirstEnergy will continue to maintain and service its electric transmission and distribution facilities in the City. Accordingly, the only thing that changes for the FirstEnergy consumers in the City who participate in the Aggregation Program is the generation supplier. For the members of the Aggregation Group, the generation supplier will be the CRES Provider.

The CRES Provider will provide a toll free telephone number and Internet web page for consumer questions and concerns. Customer service protocol will be developed with the CRES Provider.

8. Reliability and Indemnification of Consumers

Electric service reliability is an essential to Aggregation Program participants. The City will strive to provide high-quality service and reliability through provisions of the CRES Provider contract, through traditional proceedings related to FirstEnergy's regulated transmission and distribution services; and through direct discussions with FirstEnergy concerning specific or general problems related to quality and reliability of its transmission and distribution system.

If for any reason a CRES Provider fails to provide uninterrupted service, the City will attempt to acquire an alternative power supply. If this attempt fails, participants will default to FirstEnergy's Standard Offer Generation Service. In no case will participants be

without power as the result of the CRES Provider's failure to provide uninterrupted service. The City will seek to minimize this risk by contracting only with reputable CRES Providers that demonstrate reliable service. The City also intends to include conditions in its CRES Provider contract that will indemnify participants against risks or problems with power supply service and price.

9. Participant Rights

All Aggregation Program participants shall enjoy the protections of law afforded to consumers as they currently exist or as they may be amended from time to time. These include rights to question billings or service quality or service practices. All program participants shall also enjoy the individual right to decline participation in the Aggregation Program subject to the terms and conditions contained herein.

All Aggregation Program participants will be treated equitably. They will be guaranteed the right to raise and resolve disputes with the CRES Provider, be provided all required notices and information; and always retain the right to opt out of the Aggregation Program or switch suppliers subject to the terms and conditions contained herein.

All consumers within the City's corporation limits shall be eligible to participate in the Aggregation Program on a non-discriminatory basis subject to the terms and conditions described herein, Ohio law, PUCO rules and regulation governing electric service, and FirstEnergy's approved tariffs.

Service under the Aggregation Program shall include all eligible customer classes in adherence with universal service principles and requirements, and the traditional non-discriminatory practices of local government. CRES Provider contracts shall contain provisions to maintain these principles and equitable treatment of all customer classes.

Low-income consumers shall remain subject to all provisions of Ohio law and PUCO rules and regulations as they may be amended from time to time regarding their rights to return to FirstEnergy's Standard Offer Generation Service and participation in the Aggregation Program.

10. Participant Responsibilities

Aggregation Program participants are subject to the same standards and responsibilities as other electric consumers, including payment of billings and access to metering and other equipment necessary to carry out utility operations.

11. Termination of the Aggregation Program

The Aggregation Program may be discontinued upon the termination or expiration of the CRES Provider contract without any extension, renewal or subsequent contract being executed. In the event of Aggregation Program termination, each participant will receive notification 60 days prior to such program termination and can return to FirstEnergy's Standard Generation Offer Service or select another approved CRES Provider.

12. Definitions

"Aggregation" means combining the electric loads of multiple customers for the purposes of supplying or arranging for the supply of competitive retail electric generation service to those customers.

"Aggregation Group" means those eligible retail consumers of FirstEnergy within the corporate limits of the City who do not "opt-out" of the City's aggregation program. The Aggregation Group means those retail residential, commercial, and large use customers whose meters are read on a cycle basis by FirstEnergy within the corporation limits of the City who become participants in the Aggregation Program.

"Master Service Agreement" means the contract between the City and the CRES Provider.

"Competitive Retail Electric Service" means a component of retail electric service that is deemed competitive under the Ohio Revised Code or pursuant to an order of the PUCO.

"CRES Provider" means an individual or entity that has been certified by the PUCO to provide competitive retail electric generation, power brokering or power marketing and that has executed a Master Services Agreement with the City.

"City Load" means all City accounts both within and without the corporation limits of the City including, but not limited to, Utilities, Port Control, Public Service, Health, Public Safety, Parks, Recreations and Properties, Community Development, Street Lights and Traffic Signals.

"Consolidated Billing" means combining FirstEnergy's charges and the CRES Provider's charges on one billing statement.

"Governmental Aggregator" means a municipality that provides aggregation services.

"Market Support Generation" is generation capacity available from the FirstEnergy Transition Plan Settlement made available by FirstEnergy at a price intended to stimulate the competitive retail electric market in Ohio.

"PIPP" means Percentage of Income Payment Plan Program as prescribed in PUCO Rules 4901:1-18-02(B)-(G) and 4901:1-18-04(B) of the Ohio Administrative Code.

“Power Marketer” means a certified electric supplier that takes title to electricity, capacity and other services from electric power generators and other wholesale suppliers and then resells those services to end-use customers.

“Rate Ready Billing” means a billing method in which the non-billing party provides rate information to the billing party sufficient to calculate the non-billing party’s charges.

Governmental Aggregator's Customer Service Procedures and Dispute Resolution

The Aggregation Program only impacts the source of electric power supply. Ohio Edison will continue to deliver the electricity purchased through the Aggregation Program to participants' homes and businesses through its electrical power distribution system. Participants with question or concerns regarding service delivery or safety, such as an electrical outage should continue to contact Ohio Edison at 888-544-4877. Meter reading or other billing questions should also be directed to Ohio Edison at 800-447-3333. Questions regarding Aggregation Program enrollment or opting out should be directed to the CRES Provider. General questions and concerns should be directed to the office of the Village Administrator. Disputes unresolved by the aforementioned parties, should be directed to either the Ohio Consumer's Counsel or the Public Utilities Commission of Ohio. The following table gives toll-free telephone numbers for use by consumers.

Question or Concern	Contact	Telephone Number
Electrical Power Outage	Ohio Edison	888 544-4877
Connect/disconnect Service	Ohio Edison	800 633-4766
Meter reading/billing	Ohio Edison	800 633-4766
To enroll in or opt-out of the Residential Program	First Energy Solutions M-F: 7:00 AM – 7:00 PM	888 254-6359
To enroll in or opt-out of the Commercial Program	First Energy Solutions M-F: 7:00 AM – 7:00 PM	888 254-6359
Aggregation Program Questions or concerns	Ms. Kelly Kresser Administrative Assistant City of Sandusky	419 627-5844 888 505-4188
Unresolved disputes (residential customers)	Ohio Consumer's Counsel	877-742-5622 toll free
Unresolved disputes (all customers)	Public Utilities Commission of Ohio	(800)-686-7826 (voice) (800)-686-1570 (TDD)

October 13, 2006

Dear Sandusky Business,

The City of Sandusky is providing you with the opportunity to join with other businesses to save money on the electricity you use. Savings are possible through a concept called government aggregation, where City officials bring together citizens to gain group buying power for the purchase of electricity from a retail electric generation provider certified by the Public Utilities Commission of Ohio. Sandusky's voters approved this program in November 2000.

There is no cost for enrollment and you will not be charged a switching fee. You do not need to do anything to participate. The City has researched options for competitive electricity pricing for you. We have chosen FirstEnergy Solutions Corp., a subsidiary of FirstEnergy Corp., to provide you with electric generation – or the competitive portion of your electric bill – for the next two years.

As a member of this program, you are guaranteed to save **2 percent** on your electric supply. This percentage discount will be taken off your "generation shopping credit," which will appear on your electric bill after you have been enrolled in the City's government aggregation program. The generation shopping credit — which varies each month depending on your usage — represents the amount credited to you if you switch to an alternative supplier, such as FirstEnergy Solutions.

To estimate what your savings per kilowatt-hour will be by joining this program, locate your price to compare on your electric bill. The price to compare will help determine the money you'll save by switching to another energy supplier. Multiply your price to compare by .98 (98%). Then take that result and subtract it from your price to compare that appears on your bill to estimate how much you'll save each month on electric supply.

You'll see your electric savings from FirstEnergy Solutions after your enrollment has been completed and your switch has been finalized. Of course, you are not obligated to participate in Sandusky's electric government aggregation program. You have until **November 3, 2006** to return the attached "opt-out" form if you wish to be excluded from the City's electric government aggregation program and remain a full-service customer of Ohio Edison. If you don't opt out at this time, you will receive a notice at least every two years asking if you wish to remain in the program. If you leave the program at any other time, you could be subject to a \$25 cancellation fee from FirstEnergy Solutions. If you switch back to Ohio Edison at a later date, you may not be served under the same rates, terms and conditions that apply to other customers served by Ohio Edison.

WARNING: IF YOU ARE ALREADY IN CONTRACT WITH A COMPETITIVE RETAIL ELECTRIC SERVICE PROVIDER YOU MAY INCUR A CONTRACT TERMINATION FEE OR OTHER CHARGES IF YOU FAIL TO OPT-OUT OF THE AGGREGATION

After you become a participant in this government aggregation program, Ohio Edison will send you a letter confirming your selection of FirstEnergy Solutions as your electric generation provider. As required by law, this letter will inform you of your option to cancel your contract with FirstEnergy Solutions within seven days of its postmark. To remain in the City's government aggregation program, you don't need to take any action when this letter arrives.

In Ohio's electric environment, your local electric utility – Ohio Edison – will continue to maintain the system that transmits and delivers power to your home. You won't see any new poles or wires, and you will continue to receive a single, easy-to-read bill from your electric operating company with your FirstEnergy Solutions charges included. The only thing you'll notice is savings.

If you have any questions, call FirstEnergy Solutions toll-free at 1-866-636-3749, Monday through Friday, 8 a.m. to 5 p.m. You may also visit our website at firstenergysolutions.com. Please do not call the City of Sandusky with any aggregation program inquiries.

Sincerely,

The City of Sandusky

P.S. Remember to return the opt-out form only if you do not want to participate in the City's electric government aggregation program.

OPT-OUT FORM – CITY OF SANDUSKY ELECTRIC GOVERNMENT AGGREGATION PROGRAM

BUSINESS

By returning this signed form, you will be excluded from the opportunity to join with other businesses in the City of Sandusky Electric Government Aggregation Program.

I wish to opt out of the City of Sandusky Electric Government Aggregation Program.

☐

(Check box to opt out.)

Service address (city, state and zip): _____

Phone number: _____

Account holder's signature: _____

Date: _____

Mail by November 3, 2006 to: City of Sandusky Electric Government Aggregation Program, 395 Ghent Road, Suite 413, Akron, Ohio 44333

October 21, 2005

Dear Sandusky Resident,

The City of Sandusky is providing you with the opportunity to join with other residents to save money on the electricity you use. Savings are possible through a concept called government aggregation, where City officials bring together citizens to gain group buying power for the purchase of electricity from a retail electric generation provider certified by the Public Utilities Commission of Ohio. Sandusky's voters approved this program in November 2000. **The City's current aggregation program with Green Mountain Energy, ends on the meter read date in December 2005.**

There is no cost for enrollment and you will not be charged a switching fee. You do not need to do anything to participate. The City has researched options for competitive electricity pricing for you. We have chosen FirstEnergy Solutions Corp., a subsidiary of FirstEnergy Corp., to provide you with electric generation – or the competitive portion of your electric bill for the next two years.

As a member of this program, you are guaranteed to save **4 percent** on your electric supply. This percentage discount will be taken off your "generation shopping credit," which will appear on your electric bill after you have been enrolled in the City's government aggregation program. The generation shopping credit — which varies each month depending on your usage — represents the amount credited to you if you switch to an alternative supplier, such as FirstEnergy Solutions.

To estimate what your savings per kilowatt-hour will be by joining this program, locate your price to compare on your electric bill. The price to compare will help determine the money you'll save by switching to another energy supplier. Multiply your price to compare by .96 (96%). Then take that result and subtract it from your price to compare that appears on your bill to estimate how much you'll save each month on electric supply.

You'll see your electric savings from FirstEnergy Solutions after your enrollment has been completed and your switch has been finalized. Of course, you are not obligated to participate in Sandusky's electric government aggregation program. You have until **November 11, 2005** to return the attached "opt-out" form if you wish to be excluded from the City's electric government aggregation program and remain a full-service customer of Ohio Edison. If you don't opt out at this time, you will receive a notice at least every two years asking if you wish to remain in the program. If you leave the program at any other time, you could be subject to a \$25 cancellation fee from FirstEnergy Solutions. **If you switch back to Ohio Edison at a later date, you may not be served under the same rates, terms and conditions that apply to other customers served by Ohio Edison.**

WARNING: IF YOU ARE ALREADY IN CONTRACT WITH A COMPETITIVE RETAIL ELECTRIC SERVICE PROVIDER OTHER THAN GREEN MOUNTAIN ENERGY YOU MAY INCUR A CONTRACT TERMINATION FEE OR OTHER CHARGES IF YOU FAIL TO OPT-OUT OF THE AGGREGATION

After you become a participant in this government aggregation program, Ohio Edison will send you a letter confirming your selection of FirstEnergy Solutions as your electric generation provider. As required by law, this letter will inform you of your option to cancel your contract with FirstEnergy Solutions within seven days of its postmark. To remain in the City's government aggregation program, you don't need to take any action when this letter arrives.

In Ohio's electric environment, your local electric utility – Ohio Edison – will continue to maintain the system that transmits and delivers power to your home. You won't see any new poles or wires, and you will continue to receive a single, easy-to-read bill from your electric operating company with your FirstEnergy Solutions charges included. The only thing you'll notice is savings.

If you have any questions, call FirstEnergy Solutions toll-free at 1-866-636-3749, Monday through Friday, 8 a.m. to 5 p.m. You may also visit our website at firstenergysolutions.com. Please do not call the City of Sandusky with any aggregation program inquiries.

Sincerely,

The City of Sandusky

P.S. Remember to return the opt-out form only if you do not want to participate in the City's electric aggregation program.

OPT-OUT FORM – CITY OF SANDUSKY RESIDENTIAL ELECTRIC GOVERNMENT AGGREGATION PROGRAM

RESIDENT

By returning this signed form, you will be excluded from the opportunity to join with other residents in the City of Sandusky Electric Government Aggregation Program.

I wish to opt out of the City of Sandusky Electric Government Aggregation Program. ☐ (Check box to opt out.)

Service address (city, state and zip): _____

Phone number: _____

Account holder's signature: _____ Date: _____

Mail by November 11, 2005 to: City of Sandusky Electric Government Aggregation Program, 395 Ghent Road, Suite 413, Akron, Ohio 44333

**FirstEnergy Solutions Corp.
Government Aggregation Residential and Small Commercial Electric Generation
Terms & Conditions**

These terms and conditions together with the enrollment information constitutes the agreement for electric generation service, between FirstEnergy Solutions Corp., and the Customer, who chose to remain in the community aggregation program by not "opting-out" or exercising the right of rescission ("Contract"). For commercial customers, this Contract is valid for customers with a peak demand ranging from 1 kW to 299 kW. This Contract will become null and void for any individual commercial customer account with peak demand above 299 kW.

FirstEnergy Solutions Corp. ("FES") is certified by the Public Utilities Commission of Ohio ("PUCO") to offer and supply electric generation services in Ohio. FES sets the generation prices and charges that the Customer pays. The PUCO regulates distribution prices and services. The Federal Energy Regulatory Commission regulates transmission prices and services.

RIGHT OF RESCISSION – If Customer does not opt out and becomes a participant in the community program, the Customer's EDU will send a confirmation notice of the transfer of service. Customer may cancel this Contract within seven (7) calendar days following the postmark date of the confirmation notice from the Electric Distribution Utility ("EDU") by calling the EDU or by written notice to the EDU, which is effective on the postmark date. If Customer cancels, the EDU will give Customer a cancellation number. The Right of Rescission only applies when Customer switches suppliers. It does not apply when Customer renews a Contract. The EDU will not send a confirmation notice for Contract renewals.

DEFINITIONS

Generation Service – Production of electricity.

Distribution Service - Physical delivery of electricity to Customers by the EDU.

Delivery Point – That point on the electric system at which the EDU's tariff provides for the receipt and final delivery of the electricity to the Customer.

TERMS AND CONDITIONS OF SERVICE

1. **Basic Service Prices.** During the term of this Contract, for all electric generation delivered by FES to Customer, Customer agrees to pay FES the price specified in the opt-out notification.

For 2005, Customer will be billed at the percentage off or the price specified in the opt-out notification. The customer's price per kwh will vary based on the generation shopping credit, which may change monthly as calculated by the EDU based on Customer's usage and usage pattern. In addition to the charge for generation services, Customer will be charged by the EDU for distribution, transmission, ancillary and various other charges.

For the period 2006 through 2008, the generation pricing under this Agreement will be calculated as the specified percentage off the sum of the generation charge ("g") and 100% of the Rate Stabilization Charge ("RSC") ("Generation Charge"), both as set forth in the Electric Utility's applicable tariff, provided however in no event may the Generation Charge exceed the 2005 shopping credit level specified in PUCO Case No. 99-1212-EL-ETP et al., plus the potential addition of future fuel and tax related charges, as permitted by the Public Utilities Commission of Ohio ("PUCO") in Case No. 03-2144-EL-ATA et al. ("Rate Stabilization Plan"), as may be subsequently approved by the PUCO. Supplier reserves the right to unilaterally modify this billing format in the event the Electric Utility reduces the level of the generation charge ("g") and/or the RSC below the level approved in the Rate Stabilization Plan, or in the event the Electric Utility is unable or unwilling to provide consolidated billing in this format. .

In addition to the Generation Charge described above, Supplier will charge Customer for any and all fees, costs, and obligations imposed by a Regional Transmission Organization ("RTO"), such as the Midwest ISO, that are not otherwise reimbursed by the Electric Utility to Supplier, regardless of whether such charges are greater than, less than, or equal to the charges Customer currently pays for these services to the Electric Utility ("Midwest ISO/Transmission and Ancillary Charges"). Supplier will pass these Midwest ISO/Transmission and Ancillary Charges, which may be variable, through to the Customer and Customer will receive no discount or percent-off of these Midwest ISO/Transmission and Ancillary Charges. .

The Customer's price will vary based on the generation shopping credit, which may change monthly according to the EDU. In addition to the foregoing, Customer may be charged a \$5 switch fee per account. For fixed and variable rate offers, Customer will incur additional service and delivery charges from the EDU.

If any regional transmission organization or similar entity, Electric Utility, regulatory agency, or court having jurisdiction over this Agreement requires a change to the terms of the Agreement, or imposes new or additional charges or requirements upon Supplier, or a change in the method or procedure for determining charges or requirements, that adversely and materially impacts Supplier's ability to economically perform or otherwise provide Electricity Supply pursuant to this Agreement, the Parties will attempt to negotiate modification(s) to the Agreement so that Supplier may be restored to a reasonably similar economic position that Supplier would have been in but for the occurrence of the change, cost or requirement. Changes include, without limitation, transmission or capacity requirements or charges that may be imposed upon Supplier after the Effective Date by a regional transmission organization, independent transmission system operator, independent transmission provider, or government agency, and new or modified charges or shopping credits and other changes to retail electric customer access programs.

2. **Length of Contract.** Service under this Contract, as a part of Customer's community's program, will begin with the next available meter reading after the processing of Customer request by the EDU and FES, as determined by the EDU, and will continue for the Term as specified in the opt-out notification, ending on the meter read for the last month of service.
3. **Billing.** The EDU will bill Customer monthly for both FES services and EDU services on a combined monthly bill. All applicable taxes shall be listed separately on the monthly bill statement in accordance with State and Local tax law. Each account shall be billed as 0% exempt from such taxes until valid Ohio Sales and Use Tax Exemption Certificate has been received by the EDU. FES does not offer budget billing.
4. **Penalties, Fees and Exceptions.** If Customer does not pay the full amount that the Customer owes FES by the due date of the bill, Customer will be charged a 1.5% late payment charge per month.
5. **Cancellation/Termination Provisions.** If Customer does not pay bill by the due date, FES may cancel this Contract after giving Customer a minimum of fourteen (14) days written notice. Customer may be returned to EDU and forfeit the right to choose another CRES provider until arrearages are paid in full. Customer will remain responsible to pay FES for any electricity used before this Contract is cancelled, as well as all late payment charges on past due amounts. Customer may terminate this Contract, without penalty, if Customer moves out of the current EDU service territory or into an area where FES will charge a different price, by providing FES with a thirty (30) day written notice. *There will be a \$25 charge if Customer terminates this Contract for any other reason, except as expressly provided herein.*
6. **Contract Expiration.** Customer is responsible for arranging for its supply of electricity upon termination of this Agreement. If this Agreement is terminated prior to the end of 2008, if Customer has not selected another supplier, Customer will be returned to the Electric Utility and will be charged market price for its electric generation service from the Electric Utility as approved by the PUCO in Case No. 03-2144-EL-ATA.
7. **Service by EDU.** This Contract automatically terminates on the same date that electric service from the EDU is disconnected or discontinued. If this should occur, please contact FES to discuss Customer options.
8. **Dispute Procedures.** Contact FES with any questions concerning the terms of service by phone at 1-888-254-6359 (toll-free) M-F 7AM – 7PM EST or in writing at 395 Ghent Road, Attn: Contract Administration, Akron, OH 44333. Our web address is www.firstenergysolutions.com. Customers may call the PUCO if they are not satisfied after discussing the terms with FES at 1-800-686-PUCO (7826) (toll-free) or 614-466-3292 or for TDD/TTY toll-free at 1-800-686-1570 or 1-614-466-8180 from 8:00 am to 5:00 pm weekdays or in writing at 180 E. Broad Street, Columbus, OH 43215-3793 or visit the PUCO website at www.PUCO.ohio.gov. Customers may also call the Ohio Consumers' Counsel (OCC) toll free at 1-877-742-5622 from 8:30 am to 5:30 pm weekdays or visit the OCC website at www.pickocc.org.
9. **Customer Consent.** By choosing not to opt-out of Customer's community's program Customer understands and agrees to the terms and conditions of this Contract with FES. This Contract shall be considered executed by FES following the end of the 21 day opt-out period and the 7 day rescission period if Customer does not opt-out or, and subsequent acceptance by Customer's EDU.
10. **Miscellaneous.**

EDU may charge Customer switching fees.

Customer has the right to request from FES, twice within a 12 month period, up to 24 months of payment history, without charge. FES will not release Customer Social Security Number and/or account number(s) without Customer's written consent., except for purposes of commercial collection, credit reporting, participation in Universal Service Fund or assignment of a customer to another CRES provider.

An **Environmental Disclosure** Form has been included with this Contract.

FES may assign its rights to another, including any successor, in accordance with the rules and regulations of the PUCO.

By accepting this Contract, Customer is authorizing the EDU to provide FES with information about Customer account. This information includes, but is not limited to, billing history, historical and future usage, meter readings and types of service.

FES assumes no responsibility or liability for the following items that are the responsibility of the EDU: operation and maintenance of the EDU's electrical system, any interruption of service, termination of service, or deterioration of the EDU's service. In the event of a power outage, Customer should contact the EDU at the number specified by the EDU.

If Customer account information provided to FES by Customer is incorrect, FES reserves the right to reprice the applicable account(s) or terminate the contract.
11. **Warranty.** FES warrants title and the right to all electricity sold hereunder. THE WARRANTIES SET FORTH IN THIS PARAGRAPH ARE EXCLUSIVE AND ARE IN LIEU OF ALL OTHER WARRANTIES, WHETHER STATUTORY, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR ARISING OUT OF ANY COURSE OF DEALING OR USAGE OF TRADE.

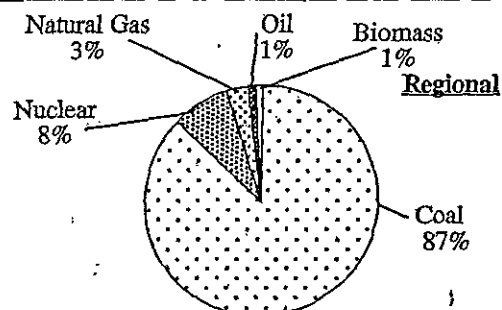
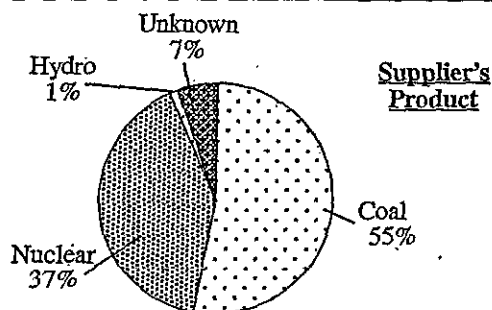
Environmental Disclosure Information

FirstEnergy Solutions Corp.

Projected Data for the 2005 Calendar Year

Generation Resource Mix -

A comparison between the sources of generation used to produce this product and the historic regional average supply mix.



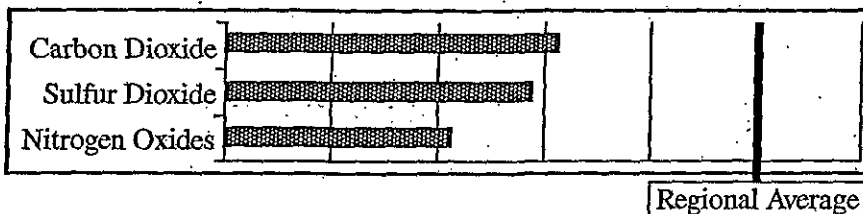
Environmental Characteristics -

A description of the characteristics associated with each possible generation resource.

Biomass Power	Air Emissions and Solid Waste
Coal Power	Air Emissions and Solid Waste
Hydro Power	Wildlife Impacts
Natural Gas Power	Air Emissions and Solid Waste
Nuclear Power	Radioactive Waste
Oil Power	Air Emissions and Solid Waste
Other Sources	Unknown Impacts
Solar Power	No Significant Impacts
Unknown Purchased Resources	Unknown Impacts
Wind Power	Wildlife Impacts

Air Emissions -

A comparison between the air emissions related to this product and the regional average air emissions.



Radioactive Waste -

Radioactive waste associated with the product.

Type:	Quantity:
High-Level Radioactive Waste	0.0040
Low-Level Radioactive Waste	0.0001

Lbs./1,000 kWh

Ft³/1,000 kWh

Note: The generation of this product involves the use of 7% of Unknown Purchased Resources. The air emissions and radioactive waste associated with these unknown resources are not included in these charts.

With in-depth analysis, the environmental characteristics of any form of electric generation will reveal benefits as well as costs. For further information, contact FirstEnergy Solutions Corp. at www.fes.com (click on "More FirstEnergy" at the bottom of the home page) or by phone at 1-877-524-7283.