

**INDEPENDENT  
ENERGY CONSULTANTS**

**FILE**

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PUCO

Chief of Docketing  
Public Utilities Commission of Ohio  
Docketing Division, 13<sup>th</sup> Floor  
180 East Broad Street  
Columbus, Ohio 43215-3793

04-1185-GA-GAG

**RE: Natural Gas Governmental Aggregator Certification Renewal Application for the Stark County Board of Commissioners (Case Number 04-1185-GA-GAG)**

Enclosed please find an original and ten copies of the renewal application for certification as a Governmental Aggregator of Natural Gas for the Stark County Board of Commissioners.

Independent Energy Consultants, Inc. is providing aggregation consulting services to the Stark County Board of Commissioners and is filing this application on their behalf.

If you have any additional needs or questions, please call me at 330 995-2675 or email me at [mburns@naturalgas-electric.com](mailto:mburns@naturalgas-electric.com)

Sincerely,

*Mark R. Burns*

Mark R. Burns  
President

Enclosures

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Date Received	Renewal Certification Number	ORIGINAL GAG Case Number
		04 - 1185 - GA-GAG

## RENEWAL CERTIFICATION APPLICATION OHIO NATURAL GAS GOVERNMENTAL AGGREGATORS

Please **type or print** all required information. Identify all attachments with an exhibit label and title (*Example: Exhibit B-1 – Authorizing Ordinance*). All attachments should bear the legal name of the Applicant. Applicants should file completed applications and all related correspondence with the Public Utilities Commission of Ohio, Docketing Division, 13<sup>th</sup> Floor, 180 East Broad Street, Columbus, Ohio 43215-3793.

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

### SECTION A - APPLICANT INFORMATION

#### A-1 Renewal Applicant information:

Legal Name Board of Commissioners Stark County Ohio  
Address 110 Central Plaza S. Suite 240  
Telephone No. 330-451-7371 Web site address [www.co.stark.oh.us](http://www.co.stark.oh.us)  
Current PUCO Certificate Number 04-089(2) Effective Dates 08-27-2006 - 08-27-2008

#### A-2 Contact person for regulatory or emergency matters:

Name Jean Young Title Purchasing Manager  
Business Address 110 Central Plaza S. Suite 240 Canton, OH 44702  
Telephone No. 330-451-7364 Fax No. 330-451-7906 Email Address [bjyoung@co.stark.oh.us](mailto:bjyoung@co.stark.oh.us)

#### A-3 Contact person for Commission Staff use in investigating customer complaints:

Name Mark R. Burns Title President, Independent Energy Consultants, Inc.  
Business address 820 Deepwoods Drive Aurora, Ohio 44202  
Telephone No. 330-995-2675 Fax No. 216-274-9176 Email Address [mburns@naturalgas-electric.com](mailto:mburns@naturalgas-electric.com)

#### A-4 Applicant's address and toll-free number for customer service and complaints:

Customer service address 820 Deepwoods Drive Aurora, Ohio 44202  
Toll-Free Telephone No. 888-862-6060 Fax No. 216-274-9176 Email Address [mburns@naturalgas-electric.com](mailto:mburns@naturalgas-electric.com)

## SECTION B - APPLICANT AUTHORITY AND AGGREGATION PROGRAM INFORMATION

PROVIDE THE FOLLOWING AS SEPARATE ATTACHMENTS AND LABEL AS INDICATED

- B-1 Exhibit B-1 "Authorizing Ordinance,"** provide a copy of the adopted ordinance or resolution that reflects voter authorization to form a governmental aggregation program pursuant to Sections 4929.26 and 4929.27 of the Ohio Revised Code.
- B-2 Exhibit B-2 "Operation and Governance Plan,"** provide a copy of the applicant's plan for operation and governance of its aggregation program adopted pursuant to Sections 4929.26(C) or 4929.27(B) of the Revised Code. The Operation and Governance Plan should include all information pursuant to Rule 4901:1-28-03 of the Ohio Administrative Code.
- B-3 Exhibit B-3 "Automatic Aggregation Disclosure Notification,"** if the aggregation program provides for automatic aggregation in accordance with Section 4929.26(A) of the Revised Code, provide a copy of the disclosure notification required by Section 4929.26(D) of the Revised Code,
- B-4 Exhibit B-4 "Opt-Out Notice,"** provide a draft copy of the applicant's opt out notice that comports with the Opt-Out disclosure requirements pursuant to Rule 4901:1-28-04 of the Ohio Administrative Code. (*Ten days prior to public dissemination, the applicant shall docket with the Commission, the finalized Opt-Out notice that provides or offers natural gas aggregation service.*)
- B-5 Exhibit B-5 "Experience,"** provide a detailed description of the applicant's experience and plan for: providing aggregation services (*including contracting with consultants, broker/aggregators, retail natural gas suppliers*); providing billing statements; responding to customer inquiries and complaints; and complying with all applicable provisions of Commission rules adopted pursuant to Section 4929.22 of the Ohio Revised Code and contained in Chapter 4901:1-29 of the Ohio Administrative Code.

Applicant Signature and Title

*Jean Young, County Clerk*

Sworn and subscribed before me this

*1st*

day of

*July*

Month

*2008*

Year

Signature of official administering oath

*Marilyn Hoover*

Print Name and Title

*MARILYN HOOVER, Asst. Clerk*

My commission expires on

*February 21, 2013*



Marilyn Hoover  
Notary Public, State of Ohio  
My Commission Expires  
February 21, 2013



# The Public Utilities Commission of Ohio

Ohio Natural Gas Governmental Aggregation  
Affidavit Form  
(Version 1.07)

In the Matter of the Application of )

Board of Commissioners, Stark County )

for a Certificate or Renewal Certificate to Provide )

Natural Gas Governmental Aggregation Service in )  
Ohio.

Case No. 04-1185

-GA-GAG

County of Stark

State of Ohio

*JEAN Young County Clerk* [Affiant], being duly sworn/affirmed, hereby states that:

- (1) The information provided within the certification or certification renewal application and supporting information is complete, true, and accurate to the best knowledge of affiant.
- (2) The applicant will timely file an annual report of its intrastate gross receipts and sales of hundred cubic feet of natural gas pursuant to Sections 4905.10(A), 4911.18(A), and 4929.23(B), Ohio Revised Code.
- (3) The applicant will timely pay any assessment made pursuant to Section 4905.10 or Section 4911.18(A), Ohio Revised Code.
- (4) Applicant will comply with all applicable rules and orders adopted by the Public Utilities Commission of Ohio pursuant to Title 49, Ohio Revised Code.
- (5) Applicant will cooperate with the Public Utilities Commission of Ohio and its staff in the investigation of any consumer complaint regarding any service offered or provided by the applicant.
- (6) Applicant will comply with Section 4929.21, Ohio Revised Code, regarding consent to the jurisdiction of the Ohio courts and the service of process.
- (7) Applicant will inform the Public Utilities Commission of Ohio of any material change to the information supplied in the certification or certification renewal application within 30 days of such material change, including any change in contact person for regulatory or emergency purposes or contact person for Staff use in investigating customer complaints.
- (8) Affiant further sayeth naught.

Affiant Signature & Title

Sworn and subscribed before me this

1st day of

July

Month

2008

Year

Signature of Official Administering Oath

Print Name and Title

*MARILYN HOOVER, Asst Clerk*



*Marilyn Hoover*  
Marilyn Hoover

Notary Public, State of Ohio

My Commission Expires

February 21, 2013

My commission expires on

*February 21, 2013*

(Ohio Natural Gas Governmental Aggregator Renewal) Page 3 of 3

**RESOLUTION**

Distribution

Stark County Exhibit B-1 "Authorizing Ordinance"

Stark County Commissioners

JOURNAL  
PROSECUTOR  
FILEAdopted February 22, 2005

## COMMISSIONERS

GAYLE A. JACKSON  
RICHARD REGULA  
JANE VIGNOS**Subject** ADOPTION OF PLAN OF OPERATION AND GOVERNANCE FOR  
OPT-OUT NATURAL GAS AGGREGATION PROGRAM

Commissioner Regula moved for the adoption of the following resolution, which was seconded by Commissioner Jackson:

WHEREAS, the Board of Commissioners on August 12, 2004, approved a resolution to place natural gas aggregation on the ballot and that ballot question has received a majority of the vote cast at the November 2, 2004 general election; and

WHEREAS, all legal publications and other notifications have been provided as required; and

WHEREAS, the public hearings on said Natural Gas "Opt-Out" Aggregation Program Plan of Operation and Governance were held on Thursday, February 10, 2005 at 11:00 a.m. and Thursday, February 17, 2005 at 11:00 a.m. in the 2<sup>nd</sup> floor Board Room of the County Office Building at 110 Central Plaza, South, Suite 240 Canton, Ohio; and

WHEREAS, any comments or suggestions regarding said Plan have been considered and incorporated as deemed appropriate by the Board.

NOW THEREFORE BE IT RESOLVED THAT: The Proposed Natural Gas "Opt-Out" Aggregation Program Plan of Operation and Governance, approved on January 13, 2005, is hereby adopted and said Plan is incorporated herein by reference and made a part hereof the same as though rewritten herein in full.

Upon roll call the vote resulted as follows:

Vignos - Yes

Jackson - Yes

Regula - Yes

## CERTIFICATE

I, the undersigned clerk of the Board, hereby certify that the foregoing is a true and correct record of the resolution of said Board.

  
B. Jean Young

# COUNTY OF STARK NATURAL GAS AGGREGATION PROGRAM

## PLAN OF OPERATION AND GOVERNANCE

For additional information contact:  
Mark R. Burns, President  
Independent Energy Consultants, Inc.  
Ph: (330) 995-2675



Stark County Exhibit B-2 "Operation and Governance Plan"

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## **Stark County Exhibit B-2 "Operation and Governance Plan"**

### **(A) Introduction**

This aggregation plan has been developed in compliance with Ohio Revised Code, Section 4929.26 regarding governmental aggregation of natural gas service.

Stark County ("County") passed the necessary resolution to place the issue of Opt-out Governmental Aggregation of natural gas on the November 2, 2004 ballot. The ballot issue subsequently passed by wide margin. The County will follow the Plan of Operation and Governance ("Plan") outlined below. This Plan was adopted after two public hearings were held in accordance with section 4929.26 (C) of the Ohio Revised Code.

### **(B) Operation and Governance Plan Detail**

#### **(1) Description of Services and Professional Assistance**

The County Aggregation Program ("Program") seeks to aggregate the retail natural gas loads of consumers located in the County to negotiate favorable rates for the supply of Natural Gas. Favorable shall mean rates lower than those available to individual residents at the time. The County may also select an offer based on beneficial terms and conditions not available through the regulated utility. Fixed-rate pricing that would provide stability, particularly during the heating season, would be an example of a potentially beneficial condition.

With a County population of approximately 200,000 the Program has the potential to combine approximately 25,000 residential accounts and small commercial accounts into a buying group that will be attractive to Certified Retail Natural Gas Service (CRNGS) suppliers. There are two Local Distribution Companies ("LDC") involved in the Stark County Program, Dominion East Ohio ("Dominion") and Columbia Gas of Ohio ("Columbia"). Participation in the Program is voluntary. Any individual customer ("Member") has the opportunity to decline to participate in the Program and to return to the LDC supply, or to enter into a service contract with any CRNGS supplier.

The County will administer an opt-out aggregation program that will automatically include all eligible natural gas accounts within the County boundaries.

Residential and small commercial natural gas customers often lack the ability to effectively negotiate natural gas supply services. The County's Program provides them an opportunity to benefit from professional representation and bargaining power achieved through an aggregation program. The aggregation Program is designed to reduce the amount Members pay for natural gas and to gain other favorable terms of service such as price stability.

Due to the complexity of deregulation of the Natural Gas utility industry, the County has entered into contract with Independent Energy Consultants, Inc. (Independent Energy Consultants), a PUCO certified broker and aggregator of natural gas and electricity. Among other things, Independent Energy Consultants will provide these consulting services:



## Stark County Exhibit B-2 "Operation and Governance Plan"

- Draft and assist in maintaining the Plan of Operation and Governance.
- Lead any required Public Hearings and attend County Council meetings upon request.
- Assist the County in the day-to-day administration of program (problem resolution, press releases, PUCO compliance, supplier liaison, contract review, etc.)
- Administer the Request for Proposal process, analyze supplier responses and provide recommendations for the supply agreement
- Review customer data provided by LDC that would serve as the basis for an opt-out notice
- Track the performance of the selected supplier, report on program participation and provide an analysis of current and future market conditions
- Write/prepare reports on a quarterly/annual basis to the County, PUCO and Ohio Consumers' Counsel.

The County through its consultant, Independent Energy Consultants, will seek bids and negotiate with CRNGS suppliers. The County will not assume title to natural gas. It will not buy and resell natural gas to the Members of the program. Instead, the County will competitively bid and negotiate a contract with a Competitive Retail Natural Gas supplier to provide natural gas supply to the Members of the aggregation program. Similarly, the County will not handle billing or scheduling of natural gas. Those responsibilities rest with the LDC and selected supplier.

Only Suppliers meeting strict criteria will be considered.

- Suppliers will need to be certified by the Public Utilities Commission of Ohio
- Registered with the LDC to do business in their service territory. Both the certification and registration ensure that Suppliers possess the managerial, technical, and financial competence to perform the services they offer.
- Successfully completed Electronic data Interchange (EDI) computer system testing with the LDC to support Governmental Aggregation Program transactions.
- Agree to hold harmless the County from any financial obligations arising from the Program.
- The selected CRNGS suppliers will need to agree to notify the County and negotiate with the County at least 60 days in advance of attempting to terminate the agreement for any reasons other than (i) the scheduled end date or (ii) Force Majeure.
- The selected CRNGS supplier shall demonstrate its creditworthiness by possessing an investment grade long-term bond ratings from at least two of the following rating agencies:

Standard & Poors	BBB or Higher
Moody's Investors' Services	Baa3 or Higher
Fitch ICBA	BBB or Higher
Duff & Phelps	BBB or Higher

Should the CRNGS supplier be unable to demonstrate its creditworthiness, the supplier will be required to provide:

- a Letter of Credit; or
- a Parental Guaranty from a company that is deemed creditworthy; or

## Stark County Exhibit B-2 "Operation and Governance Plan"

- a Surety Bond. Details of the credit type and amount will be subject to negotiation.

### (2) Determination of Rates

Through the efforts of its consultant, Independent Energy Consultants, Inc., the County will seek proposals from CRNGS suppliers. The request for proposals shall require the CRNGS suppliers to offer firm, full-requirements natural gas supply. CRNGS suppliers will bid by LDC customer rate schedule or customer class. CRNGS suppliers will be encouraged to bid on as many natural gas accounts as possible, but it is recognized that from a practical standpoint it is not likely that bids will be received for larger commercial and industrial accounts that require individual price analysis. Furthermore, commercial and industrial customers consuming more than 500 Mcf/year are classified as mercantile customers and are ineligible to participate in a governmental aggregation program.

The prices to be charged to Members in the Program will be set by the Mayor or his/her designee, with prior authorization from the Council. The Mayor will set prices following negotiations with the selected CRNGS supplier and receipt of a favorable offer. Members will be notified of the rates and terms of the Program through a direct mailing sent to each eligible resident and business within the County limits. Once offers are found a table similar to the one shown below will be populated to reflect the offer rates.

Customer Class	Rate Schedule	Supplier Offer (\$/Mcf)	Term
Residential Sales Service	RS		
General Sales Service	GS		

Neither the County nor the selected supplier will impose any terms, conditions, fees, or charges on any Member served by the governmental aggregation unless the particular term, condition, fee, or charge is clearly disclosed to the Member at the time the Member chose not to opt-out of the aggregation

Members may terminate their agreement without penalty if they relocate outside of the County. Members that leave for other reasons may be assessed an early termination fee by CRNGS supplier. Early termination fees are standard in most natural gas contracts. The County will negotiate with the CRNGS supplier to ensure that any early termination fee assessed is reasonable and clearly stated in the opt-out disclosure notice.

There is no switching fee for Members leaving LDC supply service to select a CRNGS supplier.

Members will remain responsible for all other billable charges, such as, taxes, LDC transportation charges, monthly service charge, etc.

The County of Stark will not accept a CRNGS supplier offer that is not favorable at the time for the majority of Members of a given customer class or rate schedule. It is, however, the individual Member's responsibility to carefully review the price, terms and conditions of an offer to determine if the offer is in their best interest. The County will not be responsible for any Member's decision to remain in or opt-out of the Program.

### **(3) Plan for Providing Opt-out Notice**

When a successful supply offer is found the County shall order the eligible customer list from the appropriate LDC. The LDC shall turn over the list to the County or its consultant upon request. Once the list is obtained, it will be shared with the selected CRNGS supplier and they will have 30 days from the County's receipt of the data to mail the opt-out notices to all eligible Members receiving an offer.

The selected CRNGS supplier and the County will agree upon the format of the opt-out notice and will docket a sample with the PUCO at least ten days prior to mailing it to eligible Members.

The selected CRNGS supplier will be required to pay for printing and mailing of opt-out disclosure notices. The notices will be mailed to the owner or occupant residing at the natural gas account mailing address shown on LDC's customer list. A County official's name will be on the notice and it will contain the County's name and logo on the outside to clearly indicate to the recipient that it is a notice from the County.

Prior to mailing opt-out notices a thorough review will be performed to see that all eligible Members receiving an offer are sent the notice. The review process will include the efforts of numerous parties and utilize a number of resources as specified in section four of this plan.

Following acceptance of an offer by the County, the CRNGS supplier will mail opt-out notices to eligible Members receiving a favorable offer. Members will have 21 days from the postmark date on the notice to postmark the return opt-out card if they do not wish to participate in the County's program. Members may also call the CRNGS supplier's toll-free recorded phone number to opt-out. The selected CRNGS supplier will not enroll those accounts opting out from the Program.

In the event that an eligible Member is inadvertently not sent an opt-out notice and is omitted from the Program, the CRNGS supplier shall, upon request, enroll the eligible Member at the group rate for the remaining term.

All members of the Program will also be given an opportunity to opt-out without penalty at least once every two years.

### **(4) Process for Determining the Pool of Customers**

Under the opt-out aggregation provisions, all eligible natural gas consumers within the County will be automatically included in the Program. However, such customers will be given prior notice entitling them to affirmatively elect not to be part of the Program.

Prior to mailing opt-out notices a thorough review will be performed to see that all ineligible customers are excluded. The review process will include the efforts of numerous parties and utilize a number of resources:

- LDC will query their customer database using best efforts to capture all accounts within the County limits.

## **Stark County Exhibit B-2 "Operation and Governance Plan"**

- The County's consultant working with the CRNGS supplier, available County resources and publicly available material shall screen out customers who are not located within the County limits. Those resources may include any or all of the following: Property records, water and/or sewer records, fire and/or police department address records, 911 address records, street listings, County maps, internet maps, county parcel mapping databases, and geographical information systems (GIS).
- Ineligible accounts will be screened out based on codes provided in the LDC data.
- The data shall be reviewed to see that all zip codes have been included, all streets included, all customer classes, all customer rate codes, and finally that an expected total for a community of this population was turned over.

Any potential Member who suspects they were inadvertently omitted from the Program will likely have to contact the LDC for an explanation. The LDC customer list provided to the County will not include customers who are already served by a CRNGS supplier, participate in PIPP, are classified as mercantile, or are 30-days or more in arrears of \$50 or more. Because of this, the County, its consultant, and CRNGS supplier will not be able to determine if a potential Member is ineligible or was inadvertently omitted.

Customers who have opted-off the standard customer information list are required to be included in an opt-out program assuming they meet the other eligibility requirements. If needed, the County will request a separate list of those customers from the LDC so they can be given an opportunity to participate in the Program.

Customers who meet the following criteria will become Members of the aggregation program:

- Are up to date with their bill payment;
- Have not opted-out of the program;
- Are currently supplied natural gas by the LDC or are Members of an existing Program;
- Are not mercantile customers;
- Have not exercised their right of rescission; or
- Are not part of the Percentage of Income Payment Program (PIPP).

### **(5) Customer Billing Procedures**

The County will utilize the coordinated billing services of the LDC and the selected CRNGS supplier. Most customers are expected to receive a single bill from the LDC that itemizes among other things, the cost of natural gas provided by the CRNGS supplier. In some instances, particularly for commercial accounts, the CRNGS supplier may request that dual billing be used. In this case the supplier would issue a bill for their supply service and the LDC would issue a bill for their delivery services.

Members currently on budget billing will continue to be budget billed. The LDC's process will remain the same. Members wishing to start budget billing should contact the LDC. The process will take place in accordance with the LDC's policy and is not unique to the County's Program.

Members are required to remit and comply with the payment terms of the LDC and/or their supplier if dual billing is used. This Program will not be responsible for late or no payment

## **Stark County Exhibit B-2 "Operation and Governance Plan"**

on the part of any of its members. Furthermore, slow or no payment on the part of some Members will not adversely impact the rates charged to other Members. The selected supplier shall not charge more than 1 ½ percent per month for overdue balances owed to the selected supplier.

### **(6) Credit and Deposit Policies**

Collection and credit procedures remain the responsibility of the LDC, the selected supplier and the individual Member. Members are required to remit and comply with the payment terms of the LDC. This Program will not be responsible for late or no payment on the part of any of its Members. The County will have no separate credit or deposit policy.

### **(7) Governmental Aggregator's Customer Service Procedures and Dispute Resolution**

Members will have multiple means of addressing complaints. As a general rule, concerns regarding service reliability and billing should be directed to the LDC. They continue to read meters, handle billing and generally have the most information about a customer's account. Questions regarding the Program administration should go to the County or Independent Energy Consultants. Unresolved disputes between Members and the supplier or the LDC should be directed to the Public Utilities Commission of Ohio or the Ohio Consumers' Counsel for residential accounts. Listed below is a table of local or toll-free numbers for Members to call for assistance.

<b>Nature of Complaint</b>	<b>Contact</b>	<b>Phone Number</b>
Service interruptions or emergencies	Dominion East Ohio Columbia Gas of Ohio	1-800-362-7557 1-800-344-4077
Service turn on/off	Dominion East Ohio Columbia Gas of Ohio	1-800-362-7557 1-800-362-4077
Billing disputes – Delivery Charges	Dominion East Ohio Columbia Gas of Ohio	1-800-362-7557 1-800-362-4077
Billing disputes – Supplier charges	Direct Energy	1-888-566-9988
Joining/Leaving Program	Direct Energy	1-888-566-9988
Aggregation Program Questions	Stark County Independent Energy Consultants	330-451-7364 1-888-862-6060
Unresolved Disputes	Public Utilities Comm. (voice)	1-800-686-7826
Unresolved Disputes	Public Utilities Comm. TDD/TTY	1-800-686-1570
General Information – residential	Ohio Consumers' Counsel	1-877-742-5622

### **(8) Members Moving Into/Within the Aggregation (New Customer)**

Utility rules require that people moving into a different residence, new construction or otherwise, be assigned a new account number and be served for at least one month by the local utility before they can switch to a new supplier. The above-mentioned is an example of utility rules approved by the PUCO that will impact the operation of Stark's aggregation program.

## **Stark County Exhibit B-2 "Operation and Governance Plan"**

Residents and businesses that move into the County will not be automatically included in the County's Program. The County cannot guarantee the rates, terms and conditions to Members enrolling after the initial 21-day opt-out period. Members wishing to opt-in to the Program may contact the County or the CRNGS supplier to obtain enrollment information. There is, however, no guarantee that customers opting-in at a later date will receive the same price, terms and conditions as did the initial participants. The selected CRNGS supplier's decision whether or not to extend an offer will be based, in part, on the market prices at the time of request.

Members who move within the County limits and are assigned a new account number by the LDC will be treated in the same manner as a new resident. They will not be automatically enrolled, but may contact the CRNGS supplier concerning re-enrollment. Once again, there is no guarantee that the CRNGS supplier will extend an offer, or an offer that is the same as that of the initial enrollees.

### **(9) Members Moving Within the Aggregation (Same Account Number)**

The selected CRNGS supplier shall continue service at the same rate and under the same terms and conditions for any Member who relocates within the County prior to the expiration of the contract term, providing that the Member notifies the CRNGS supplier of their desire to do so with thirty (30) days written notice. Moving within the County may cause the Member to be served for a brief period of time by the local utility.

### **(10) Joining the Program at a Later Date**

Members desiring to join the program at a later date during the midst of an ongoing supply agreement will be treated similar to Members moving into the County. They will need to contact the County or its supplier to obtain enrollment information. They will follow an opt-in approach. There is however, no guarantee that customers opting-in at a later date will receive the same price, terms and conditions as did the initial Members. Suppliers are unable to hold price offerings for an unlimited amount of time, and if the community asks for such a requirement, the price offering received from suppliers will be higher to reflect the greater risk. Residents opting-in to the County's program will be responsible for knowing if there is a switching fee for leaving their current supplier.

In the event of a high rate of attrition from the Program or population growth within the County, the County may request the selected CRNGS supplier to conduct a subsequent opt-out campaign during the term of a supply agreement. If this were to occur, the opt-out notice would be sent to new eligible Members and would not be sent to anyone who had previously opted-out of the current supply agreement.

### **(C) Availability of Plan of Operation and Governance**

The County will maintain a copy of this Plan of Operation and Governance on file at its Administrative office. This Plan will be kept available for public inspection. It will, upon request, be copied for any existing or potential Members of the aggregation in accordance with the County rules for copying public documents.

### **(D) Altering the Plan of Operation and Governance**

The County will not alter its Operation and Governance Plan in any way that would materially

## **Stark County Exhibit B-2 "Operation and Governance Plan"**

affect the customers of the aggregation without first providing notice to all affected Members and providing these Members the opportunity to opt-out of the aggregation according to the procedures established for the initial opt-out disclosure notice set forth in rule 4901:1-28-04 of the Administrative Code. In the event of a material change, the County will provide a notice explaining the changes to the plan, and informing the Members of their right to opt-out of the aggregation without penalty, and identifying the method and time frame for the customer to opt-out.

### **(E) Certification Prior To Sending Opt-out Notices**

The County will become certified as a Governmental Aggregator of natural gas (by the PUCO) prior to sending opt-out disclosure notices to potential Members of the Aggregation Program.

### **(F) Opt-out Disclosure Policies**

Prior to including a customer's natural gas account or accounts in an aggregation, the County in cooperation with the selected CRNGS supplier, will provide each eligible Member a written opt-out notice conforming to the requirements of Ohio Administrative Code Section 4901:1-21-17.

The County in cooperation with the selected CRNGS supplier will provide each Member the opportunity to leave the program, free of charge, at least once every two years. The notice will follow the format and requirements of the initial opt-out notification and will include any changes to the price or terms and conditions of the program.

### **(G) Cooperation Between Natural Gas Companies and Governmental Aggregators**

The success of the County's Aggregation Program relies in part to the cooperation it receives from the LDC. In addition to other tasks, the LDC must turn over accurate customer data and perform the customer switching process in a timely manner. The County will comply with O.A.C. section 4901:1-28-05, and will hold the LDC to its obligations under the same.

### **(H) Termination of the Aggregation Program**

The Natural Gas Aggregation Program may be terminated upon the termination or expiration of the supply contract without any extension, renewal or subsequent supply contract being negotiated. Each individual Member receiving natural gas supply service under the Program will receive notification 45-90 days prior to termination of the Program. In the event of termination, Members in the County aggregation program would either return to the LDC supply service or choose a CRNGS supplier on their own.

If the County is unable to find a satisfactory offer at the end of an existing supply agreement, they have the option of maintaining their status as a Governmental Aggregator while they continue to seek offers for their Members.

The selected CRNGS suppliers will need to agree to notify the County and negotiate with the County at least 60 days in advance of attempting to terminate the agreement for any reasons other than (i) the scheduled end date or (ii) Force Majeure.

## Stark County Exhibit B-3 "Automatic Aggregation Disclosure Notification"

Section 4929.26 (D) of the Ohio Revised Code states that "no legislative authority or board, pursuant to an ordinance or resolution under divisions (A) and (B) of this section, shall aggregate any retail natural gas load located within its jurisdiction unless it in advance clearly discloses to the person whose retail natural gas load is to be so aggregated that the person will be enrolled automatically in the aggregation and will remain so enrolled unless the person affirmatively elects by a stated procedure not to be so enrolled. The disclosure shall state prominently the rates, charges, and other terms and conditions of enrollment. The stated procedure shall allow any person enrolled in the aggregation the opportunity to opt out of the aggregation every two years, without paying a switching fee. Any such person that opts out of the aggregation pursuant to the stated procedure shall default to the natural gas company providing distribution service for the person's retail natural gas load, until the person chooses an alternative supplier."

The Opt-Out Notification for Stark's program will include language similar to the following and proceed as shown below.

Stark County officials are acting on behalf of natural gas consumers who are participating in the program to negotiate a gas supply contract with eligible suppliers. Both Stark and <CRNGS Supplier> are certified by the Public Utilities Commission of Ohio to provide this service. This program has been authorized by our Commissioners through a resolution and voter approval on November 2, 2004. This phase of our aggregation program will begin with your <Month Year> billing cycle and end with your <Month Year> billing cycle.

**You will be automatically enrolled in Stark's Natural Gas Aggregation Program unless you choose to "opt out" – that is, to not participate.** There is no cost for enrollment and you do not need to do anything to be included. If you choose to opt-out of this program, you will revert to service by your Local Distribution Company, unless and until you choose another supplier.

**If you want to be excluded from the Stark County Natural Gas Aggregation Program you must return the enclosed "Opt-Out" form to the <CRNGS Supplier>. The return form must be postmarked no later than 21 days from the postmark on this notice. You may also opt-out by calling <CRNGS Supplier>, toll free, at 1-XXX-XXX-XXXX.** If you do not opt out at this time, you will be enrolled in the program until it expires in <Month Year>. At that time, you will again have the chance to opt out of the program with no penalty. Every participant will be allowed to leave the program at least once every two years without incurring any penalty.

Please note that newly eligible members remaining in the aggregation group, will receive a letter from your Local Distribution Company advising you of your impending transfer to <CRNGS Supplier>, and advising you to contact your Local Distribution Company within 7 days if you do not want to be in the Program. Again, if you have not changed your mind about participating in the Aggregation Program, you do not have to do anything with that letter.

**Warning: If you are already under contract with a competitive retail natural gas service provider you may incur a contract termination fee or other charges if you fail to opt-out of the aggregation.**

Under the opt-out aggregation provisions, all eligible natural gas consumers within the County will be automatically included in the Program. However, such customers will be given prior notice entitling them to affirmatively elect not to be part of the Program.



## Stark County Exhibit B-3 "Automatic Aggregation Disclosure Notification"

Prior to mailing opt-out notices a thorough review will be performed to see that all ineligible customers are excluded. The review process will include the efforts of numerous parties and utilize a number of resources:

- The Local Distribution Company, Dominion East Ohio or Columbia Gas of Ohio will query their customer databases using best efforts to capture all accounts within the County limits.
- Independent Energy Consultants working with the CRNGS supplier, available County resources and publicly available material shall screen out customers who are not located within the County limits. Those resources may include any or all of the following: Property records, water and/or sewer records, fire and/or police department address records, 911 address records, street listings, County maps, internet maps, county parcel mapping databases, and geographical information systems (GIS).
- Ineligible accounts will be screened out based on codes provided in the LDC data.
- The data shall be reviewed to see that all zip codes have been included, all streets included, all customer classes, all customer rate codes, and finally that an expected total for a community of this population was turned over.

Any potential Member who suspects they were inadvertently omitted from the Program will likely have to contact their LDC for an explanation. The customer list provided to the County will not include customers who are already served by a CRNGS supplier, participate in PIPP, are classified as mercantile, are 30-days or more in arrears of \$50 or more, or who have opted-off the standard customer information list. Because of this, the County, its consultant, and CRNGS supplier will not be able to determine if a potential Member is ineligible or was inadvertently omitted.

Customers who have opted-off the standard customer information list are required to be included in an opt-out program assuming they meet the other eligibility requirements. If needed, the County will request a separate list of those customers from the LDC so they can be given an opportunity to participate in the Program.

Customers who meet the following criteria will receive an opt-out notice and be subsequently enrolled following the opt-out period.

- Have received an offer from the selected CRNGS Supplier;
- Are up to date with their bill payment;
- Have not opted-out of the program;
- Are currently supplied natural gas by the LDC or are Members of an existing Program;
- Are not mercantile customers;
- Have not exercised their 7 day right of rescission; or
- Are not part of the Percentage of Income Payment Program (PIPP).



Direct Energy

[First] [Middle] [Last]  
[Mail Address1]  
[Mail City], [Mail State] [Mail Zip]

**IMPORTANT INFORMATION**  
From Stark County & Direct Energy Regarding  
your Natural Gas Commodity Service.

June 18, 2008

Premise Address: [Premise Address]  
Account Number <Account Number>

Dear [First] [Last]:

**Stark County selects Direct Energy as its preferred natural gas supplier.**  
**The Program offers an initial rate of \$1.397 per Ccf, a senior citizen discount, and a carbon neutral product!**

We are pleased to announce that Stark County has selected Direct Energy as its preferred natural gas supplier for the county's Natural Gas Aggregation program.<sup>1</sup> Under this arrangement, Direct Energy will provide an initial rate of \$1.397 per Ccf<sup>2</sup> for your August 2008 billing cycle. The aggregation program runs through your July 2010 bill cycle.

Through Stark County's Natural Gas Aggregation Program, eligible citizens<sup>3</sup> will receive a initial rate of \$1.397 per Ccf, starting with your August 2008 natural gas usage, which is reflected on your August 2008 bill. After the initial term, which will end with your July 2010 bill cycle, the County is required to provide all eligible residents and businesses in the community with the opportunity to join the Aggregation program or to "Opt-Out" of the program without penalty.

You will be automatically enrolled in Stark County's Natural Gas Aggregation Program unless you choose **NOT** to participate by "Opting-Out" by July 11, 2008. The eligibility requirements for this exclusive offer are outlined below.<sup>2</sup> If you do **NOT** wish to participate in this program, you must "Opt-Out" by using the instructions on the reverse side of this letter.

**Stark County's Natural Gas Aggregation Program Is a Smart Choice:**

- **It's Easy to Participate.** You don't have to do anything to enroll. All eligible citizens will be automatically enrolled in the program unless you choose to "Opt-Out." Your local utility will continue to send your monthly gas bill and you will continue to remit one payment to the local utility for their charges and Direct Energy's charges. Also, your local utility will still provide service for any emergency or maintenance issues.
- **Your First Month's Rate Has Been Set.** Stark County has ensured that you will receive a natural gas commodity rate of \$1.397 per Ccf for your gas supply through your August 2008 billing cycle. After your August 2008 billing cycle, the rate may be variable from month-to-month unless a stable rate is selected by Stark County. Service will run through your July 2010 billing cycle. You may also select Direct Energy's

<sup>1</sup> By affirmative vote of Stark County Board of Commissioners, on August 12, 2004 passed a resolution which proposed the aggregation of natural gas customers. The voters approved a ballot issue on November 2, 2004 for Stark County to act as an Aggregator (purchasing agent) and enter into an agreement with a natural gas supplier or other natural gas aggregator on behalf of all of the residents of Stark County for the supply of natural gas, such aggregation to occur automatically except where any resident elects to Opt-Out, all in accordance with Ohio law. As part of being a Government Aggregator, Stark County is certified by the Public Utilities Commission of Ohio and operates under the Rules for Competitive Retail Natural Gas Service, pursuant to Chapter 4901:1-28-04 of the Ohio Revised Code ("ORC").

<sup>2</sup> Direct Energy's rate excludes the utility charges and taxes.

<sup>3</sup> Service is subject to enrollment processing timelines as determined by your local utility and Direct Energy Terms and Conditions of Service. To be eligible to participate in the Natural Gas Aggregation Program, you must have a residence or business located in Stark County, be eligible to receive natural gas from Columbia Gas of Ohio, meet Ohio non-mercantile requirements, be current with your natural gas payments, and not be enrolled in the PIPP program. If you believe you received this letter in error, please contact Direct Energy's call center immediately to ensure that you are not automatically enrolled in Stark County's Natural Gas Aggregation Program.

optional Carbon Neutral Gas Program as part of your energy service. Please see below for the rate and more information about this great program.

- **Exclusive Offer for Senior Citizens.** Stark County has negotiated a discount of \$0.010 per Ccf off the commodity rate for Senior Citizens 65 and older who are the primary owners of their residence. This special rate is available to eligible seniors by calling Direct Energy at 1-866-760-6040.
- **Reduce your Carbon Emissions Footprint.** If you are interested in off-setting the carbon dioxide emissions from your service location's natural gas usage, you can do so by enrolling into Direct Energy's Carbon Neutral Gas Program. If you enroll, you will pay the rate of \$1.947 per Ccf for your gas supply through your August 2008 billing cycle for this optional benefit. After your August 2008 billing cycle, the rate per Ccf may be variable from month-to-month unless a stable rate is established by Stark County. For details about this Program, please refer to the Frequently Asked Questions enclosed with this mailing. You may also call Direct Energy's Customer Service Department at 1-866-760-6040 for more details and to enroll in this optional program.

Again, you will be **automatically enrolled** in Stark County's Natural Gas Aggregation Program unless you choose **NOT** to participate by "Opting-Out". If you do **NOT** wish to participate in this program, you must "Opt-Out" by calling Direct Energy Customer Care team at 1-866-760-6040 or completing the "Opt-Out" Election Form below and returning it to Direct Energy by July 11, 2008. The "Opt-Out" Election Form must be returned at least 21 days from the post-mark date of this letter. If you "Opt-Out" of the aggregation program, your natural gas service will continue to be distributed by your local utility.

You will find additional details of the Natural Gas Aggregation Program in the Frequently Asked Questions & Terms and Conditions within this mailer. Please read them carefully. If you have additional questions about this offer, please contact Direct Energy's Customer Care team at 1-866-760-6040, Monday through Friday from 8:00 a.m. to 8:00 p.m. EST and Saturday from 8:00 a.m. to 5:00 p.m. EST (contact center hours subject to change without notice). You may also visit our web site at [www.directenergy.com](http://www.directenergy.com).

Respectfully,

Stark County and Direct Energy

**Stark County's Natural Gas Aggregation Opt-Out Election Form**

☐ I elect NOT to participate in Stark County's Natural Gas Aggregation Program with Direct Energy.

Account Holder's Name: (Print) \_\_\_\_\_

Date: \_\_\_\_\_

Dominion East Ohio Account Number: < Account Number >

Service Address: \_\_\_\_\_

City: \_\_\_\_\_ State: OH Zip Code: \_\_\_\_\_

Telephone Number: (\_\_\_\_\_) \_\_\_\_\_

Account Holder's Signature: \_\_\_\_\_

This form must be postmarked no later than 21 days from the postmark date on the notification letter for your opt out to be effective.

**IMPORTANT NOTICE:** By returning this signed form, I affirmatively elect NOT to participate in Stark County's Natural Gas Aggregation Program. By electing not to participate, I understand from the accompanying materials that I will forego the benefits of this program. I understand that if I choose to "Opt-Out" of Stark County's Natural Gas Aggregation Program, I must complete this form and mail it to Direct Energy or call Direct Energy at 1-866-760-6040, to Opt-Out no later than 21 days from postmark on the notification letter accompanying this form. This form must be postmarked by the given date on this letter to be effective. If this form is not postmarked by this date or I do not call by the specified date, I understand that I will be automatically enrolled in the Stark County's Natural Gas Aggregation Program. I assume all responsibility to send the "Opt-Out" Election Form or to call Direct Energy. To Opt-Out by mail, please return the election form to: Direct Energy Stark County Aggregation PMB #51 7385 North State Route 3 Westerville, Ohio 43082

**Direct Energy's Natural Gas Rate Stark County's Aggregation Program  
Residential and Commercial Terms and Conditions of Agreement  
And Appointment of Limited Agent  
To: Direct Energy Services, LLC ("Direct Energy")**

**Term of Agreement.** Subject to Direct Energy's acceptance of this Agreement and acceptance by my Natural Gas Utility ("NGU"), I hereby appoint Direct Energy as my exclusive limited agent and supplier for natural gas service. My service under this Agreement will begin on my meter reading date as determined by the NGU tariff and will continue through the July 2010 billing cycle ("Initial Term"). If my service is not accepted by the NGU for my August 2008 billing cycle, then my service will begin on the next applicable meter reading date once accepted. The Initial Term will be reduced for each month that I am not receiving service after the August 2008 billing cycle period. I will receive the rate applicable to participants of the Stark County's (Governmental Aggregator) Aggregation Program through my July 2010 billing cycle. My NGU will continue to deliver my natural gas, and provide billing and other services.

**Pricing, Billing and Payment Terms.** Under this Agreement, I will continue to pay distribution and transportation costs to my NGU. My initial rate for the period starting with my August 2008 billing cycle will be \$1.397 per Ccf, excluding applicable taxes and utility charges. If I have enrolled in the Carbon Neutral Gas Program, I will pay, for the period starting with my August 2008 billing cycle, the initial rate of \$1.947 per Ccf, excluding applicable taxes and utility charges. (See Environmental Initiatives: Carbon Neutral Gas Program for more information.) After the August 2008 billing cycle, I will receive a Variable Rate unless the Governmental Aggregator sets a Stable Rate under its Program. If a variable rate is selected by the Governmental Aggregator, the Variable Rate will vary from month-to-month and will equal the sum of the following (i) \$1.70 per Ccf (or \$2.25 per Ccf if I have agreed to participate in Direct Energy's Carbon Neutral Gas Program) plus (ii) the NYMEX Henry Hub Monthly Natural Gas contract rate for the applicable delivery month upon termination of trading converted from mmBtu to MCF. If the Governmental Aggregator selects a Stable Rate, it shall determine the duration of such Stable Rate.

The NYMEX is the commodity exchange on which Natural Gas Futures contracts are traded and is the foundation from which natural gas transactions are rated within the United States and its market rates are available from various publications including the Wall Street Journal and various internet sites. If a variable rate is selected in year two of this program, I may obtain my monthly rate by calling a Direct Energy customer service representative at 1-888-566-9988. Direct Energy's rates are exclusive of all applicable state and local taxes and NGU charges. My NGU will send me a single monthly bill that will include my NGU's charges and Direct Energy's charges and I will continue to pay my bill in accordance with the NGU's billing and payment policies. In the event that I fail to pay my bill or fail to meet any agreed-upon payment arrangement, Direct Energy may terminate this Agreement after providing me with fourteen (14) days written notice or I may be returned to utility service by the NGU. Such termination will not relieve me of my payment obligations to Direct Energy for service to the date of such termination. I have the right to request without charge up to 24 months of payment history for services rendered by Direct Energy.

**Senior Citizen Discount.** Seniors may receive a rate that is \$0.010 per Ccf lower than the rate stated in the Pricing, Billing and Payment Terms section of this Agreement. In order to receive the Senior Citizen Discount of \$0.010 per Ccf, I must call Direct Energy's Customer Service Contact Center at 1-888-566-9988, Monday through Friday 8:00 a.m. to 8:00 p.m. EST, and Saturday 8:00 a.m. to 5:00 p.m. EST (contact center hours subject to change without notice) to validate my status as a Senior Citizen and primary owner of the residence to receive retail natural gas service from Direct Energy. To confirm my status as a Senior Citizen for the purpose of this program, I must validate that I am at least 65 years old at the time of the call. Such discount will only be applied prospectively, and may take one or more billing cycles before it appears on my bill. Direct Energy is not liable for any lost savings due to my not requesting this discount in a timely fashion, or due to any delay between my request and it actually appearing on my bill.

**Environmental Initiatives: Carbon Neutral Gas Program.** If I have enrolled in the Carbon Neutral Gas Program (the "Program"), Direct Energy will administer the Program as a part of this Agreement. For each calendar year, Direct Energy will purchase and retire instruments with underlying greenhouse gas emission offsets in a carbon equivalent amount sufficient to match the carbon emissions produced by my service location's use of natural gas. These offsets will be associated with projects located worldwide that reduce or remove greenhouse gas emissions. Direct Energy may take up to three months after the close of the calendar year to make up any deficiency in needed amounts. Direct Energy reserves the right, in its sole discretion, to change this program and the environmental initiatives it supports.

**Termination.** My Agreement will terminate automatically without penalty if any of the following occurs: (a) The requested service location is not served by the incumbent natural gas company; (b) I move outside the incumbent natural gas company's service area, to an area not served by Direct Energy, or to an area outside the Governmental Aggregator; or (c) Direct Energy or the Governmental Aggregator returns my sales service to the NGU, provided Direct Energy is permitted to terminate under the terms and conditions of this Agreement. If I move within the Governmental Aggregator and wish to continue taking service from Direct Energy under this Agreement I must contact

**Direct Energy** with my new service location account information in a timely fashion to transfer my service. I understand that processing the move will be subject to utility transaction processing timelines. Further, I understand that I am responsible for any switching fees imposed by my NGU. I understand that I have the right to terminate this Agreement without penalty in the event: (a) I relocate; or (b) this Agreement allows Direct Energy or the Governmental Aggregator such a right for reasons other than customer nonpayment.

**Cancellation.** My NGU will send me a written notice confirming my decision to enroll with Direct Energy. I understand that I may rescind my enrollment without penalty within seven (7) business days of the postmark on the NGU's confirmation letter by calling or writing to my NGU. I understand that I also have the right to cancel this Agreement after seven (7) business days without penalty or early termination fee by contacting Direct Energy verbally at 1-888-566-9988 or in writing at the address provided in the Direct Energy Contact Information section below. Such cancellation will not relieve me of my payment obligations to Direct Energy for service to the date of cancellation. If I intend to cancel this Agreement after the 7-day rescission period I agree to contact Direct Energy at 1-888-566-9988 prior to initiating cancellation.

**Switching.** If I change my Natural Gas Supplier, my NGU may apply a switching fee. If I return to my NGU after switching to a competitive supplier, I may be charged a rate other than the incumbent NGU's regulated commodity rate.

**Assignment.** This Agreement can be transferred or assigned by Direct Energy to another supplier upon 30 days written notice.

**Privacy of Customer Information.** Other than for operation, maintenance, assignment and transfer of my account, or collection purposes, my NGU account number shall not be released without my affirmative written or electronic authorization or pursuant to PUCO or court order. Other than for credit checking and credit reporting, my social security number (if given) shall not be disclosed without my affirmative written consent or pursuant to a court order.

**Renewal.** If applicable, upon completion of the Initial Term this Agreement may be renewed by the Governmental Aggregator. If this occurs, I will be notified of the renewal, receive a written notice of any proposed changes in the terms and conditions of this Agreement and have the ability to Opt-Out of this Agreement. If the Governmental Aggregator does not renew this Agreement, this Agreement shall terminate at the end of its term.

**Warranty.** This Agreement as written makes up my entire Agreement with Direct Energy. Direct Energy makes no representations or warranties other than those expressly set forth in these Terms and Conditions, and Direct Energy expressly disclaims all other warranties, express or implied, including merchantability and fitness for a particular use.

**Force Majeure.** Direct Energy will make commercially reasonable efforts to provide gas service, but does not guarantee a continuous supply of natural gas. Certain causes and events out of the control of Direct Energy ("Force Majeure Events") may result in interruptions in service. Direct Energy will not be liable for any such interruptions caused by a Force Majeure Event. Direct Energy does not transmit or distribute natural gas. Therefore, I agree that Direct Energy is not and shall not be liable for damages caused by Force Majeure Events, including acts of God, acts of any governmental authority, accidents, strikes, labor disputes or problems, required maintenance work, inability to access the local distribution utility system, non-performance by the NGU including but not limited to a facility outage on its gas distribution lines, changes in laws, rules, or regulations of any governmental authority (including but not limited to the PUCO), or any cause beyond Direct Energy's control.

The remedy in any claim or suit by me against Direct Energy will be limited to direct actual damages. By entering into this Agreement, I waive any right to any other remedy. In no event will either Direct Energy or I be liable for consequential, incidental, or punitive damages. These limitations apply without regard to the cause of any liability or damages. There are no third-party beneficiaries to this Agreement.

**Direct Energy Contact Information.** If I have a question about or disagree with the natural gas commodity portion of my bill, I may call Direct Energy's Customer Service Contact Center at 1-888-566-9988, Monday through Friday 8:00 a.m. to 8:00 p.m. EST and Saturday 8:00 a.m. to 5:00pm EST (contact center hours subject to change without notice). I may also write to Direct Energy at PMB #51; 7385 North State Route 3; Westerville, OH 43082. The address for the Governmental Aggregator is County Office Building 110 Central Plaza Suite 240 South Canton, Ohio 44702.

**Dispute Resolution.** If your complaint is not resolved after you have called Direct Energy, or for general utility information, residential and business customers may contact the Public Utilities Commission of Ohio for assistance at 1-800-686-7826 (toll free) or for TTY at 1-800-686-1570 (toll free) from 8:00am to 5:00pm weekdays, or at [www.puco.ohio.gov](http://www.puco.ohio.gov). Residential customers may also contact the Ohio Consumers' Counsel for assistance with complaints and utility issues at 1-877-742-5622 (toll free) from 8:00 a.m. to 5:00 p.m. weekdays, or at [www.pickocc.org](http://www.pickocc.org). Residential customers may also contact the Ohio Consumers' Counsel for assistance with complaints and utility issues at 1-877-742-5622 (toll free) from 8:00 a.m. to 5:00 p.m. weekdays, or at [www.pickocc.org](http://www.pickocc.org).

**STARK COUNTY  
COMMISSIONERS**



**County  
Office Building**  
110 Central Plaza S. Suite 200  
Canton, Ohio 44702-2202

**Dear Stark County Resident or Small Commercial Business Owner:**

This letter details the current information concerning the Stark County Natural Gas Aggregation Program for customers in the Columbia Gas of Ohio service territory. I hope the thoughtful reading of these details will answer the basic questions that most customers are asking.

Direct Energy won a recent competitive bidding process and will become our new natural gas supplier. Our current Opt-Out natural gas program with Volunteer Energy Services will come to an end after your July 2008 bill cycle. Our new offer with Direct Energy will have several features that we hope you will find attractive.

1. We will now have the flexibility to select a variable rate that changes every month if we believe that is in your best interest. We will also be able to lock-in a fixed-rate for any period of time if and when we believe market conditions are favorable.

The formula that we negotiated with Direct Energy for setting your rate is lower than that of our previous program and is shown in the accompanying terms and conditions. Due to a dramatic run-up in natural gas rates, we have decided only to set the first month's rate at this time. We expect to set a fixed rate prior to the winter heating season when you use the majority of your natural gas; by then rates will have hopefully declined. We have always said there are no guarantees of savings with these programs, but we do believe in the power of bulk buying and believe our program provides another valuable option for our residents as they try to manage their energy costs.

2. We have negotiated an agreement that allows you to leave free of charge at any time for any reason.
3. Finally, as a way of saying thank you for your business, Direct Energy is offering a discount for any senior participating in our natural gas aggregation program, and an option for anyone to offset their greenhouse gas emissions by allowing Direct Energy to purchase and retire carbon offsets.

Included with this letter is an opt-out notification from Direct Energy, please review it carefully. There are basically three choices:

1. If you have been in the Stark County Natural Gas Aggregation Program and you want to remain in the program, you do not need to do anything. Your continued participation is automatic.
2. If you have been in the Stark County Natural Gas Aggregation Program and you no longer want to be included in the program, you will need to return the opt-out postcard to Direct Energy or call their toll free number.
3. If you have received an opt-out notice from Direct Energy and are not currently in the Stark County Natural Gas Aggregation Program and desire to be included, you need not do anything. You will automatically be enrolled unless you return the opt-out postcard to Direct Energy or call their toll free number.

I hope this letter has been helpful as you make your decision about your natural gas service. If you have any questions, please contact Direct Energy's call center personnel toll free at 1-866-760-6040. They are available, Monday through Friday 8:00 a.m. to 8:00 p.m. and Saturday from 8:00 a.m. to 5:00 p.m. EST (contact center hours are subject to change without notice).

Sincerely,

*Stark County Commissioners*

**Direct Energy**  
**Stark County's Natural Gas Aggregation Program**  
**Frequently Asked Questions**

**What is a Natural Gas Aggregation?**

Under governmental aggregation, Stark County acted on behalf of its natural gas consumers to select a natural gas supplier who, through the power of volume buying, is able to secure long-term supplies of natural gas at competitive rates. The Public Utilities Commission of Ohio ("PUCO") has taken steps to ensure that Ohio's competitive natural gas environment is consumer-friendly. Voters in Stark County approved this aggregation program and Stark County passed an ordinance adopting this Natural Gas Aggregation program. Stark County has selected Direct Energy as its preferred natural gas supplier to serve its residents and small businesses beginning with the August 2008 billing cycle. Stark County's Natural Gas Aggregation Program is effective through the July 2010 billing cycle.

**How do I enroll?**

**You don't have to do anything to enroll.** All eligible customers will be **automatically included** in the program unless you choose to "Opt-Out." If you do not respond to this letter, the utility will complete the enrollment process. Once the utility completes your enrollment, it will mail you an enrollment confirmation notice to inform you that your gas supply will be provided by Direct Energy. However, if you do not want to enroll in the program you have 21 days to opt-out from the post mark date of the Direct Energy letter.

**When will this program start?**

The aggregation program for Stark County will begin as early as your August 2008 billing cycle and will continue through your July 2010 billing cycle. If your enrollment request is not received or accepted by the local gas utility for your August 2008 billing cycle, then your service will begin on the next applicable meter reading date.

**What is my rate?**

Stark County has ensured that you will receive an initial natural gas commodity rate of \$1.397 per Ccf<sup>1</sup> for your gas supply through the August 2008 billing cycle. If you enroll in Direct Energy's optional Carbon Neutral Gas Program (see below for more information about this great program), you will pay an initial rate of \$1.947 per Ccf<sup>1</sup> for this benefit starting with your August 2008 billing cycle. After your August 2008 billing cycle, the rate per Ccf may be variable from month-to-month, unless a stable rate is established by Stark County. There is no enrollment fee to join the basic gas program or the Carbon Neutral Gas Program.

**Do you have Budget Billing available?**

Yes. If you are interested in receiving budget billing please contact your local gas utility to sign up for this billing plan. If you are currently on budget billing with the local utility, you can continue this billing plan even if you enroll in Stark County's Natural Gas Aggregation Program.

**Are there Cancellation Fees if I Cancel Early?**

No. In addition, to your ability to opt-out of the program, Direct Energy also offers you the ability to cancel at any time without any cancellation fees.

**Where do I Send Payment?**

The local gas utility will continue to send your bill, and you will continue to remit **one payment** to the local gas utility. Direct Energy's supply charges will appear as a line item on the bill you receive from your local gas utility. Your service reliability and billing will remain the same.

**What are the Additional Benefits?**

You will be serviced by Direct Energy, part of the Centrica group of companies and one of the largest providers of non-utility retail energy services in North America. Across North America, Direct Energy now supports approximately 5 million customer relationships.

**Who do I Contact if I have additional questions?**

If you have any additional questions about this offer, please contact Direct Energy Customer Care team at 1-866-760-6040, Monday through Friday from 8:00 a.m. to 8:00 p.m. EST and Saturday from 8:00 a.m. to 5:00 p.m. EST (contact center hours subject to change without notice). You may also visit our web site at [www.directenergy.com](http://www.directenergy.com).

<sup>1</sup> Direct Energy's rate excludes the utility charges and taxes.

**Direct Energy**  
**Stark County's Natural Gas Aggregation Program**  
**Frequently Asked Questions**

**Carbon Neutral Gas Program Frequently Asked Questions**

**How does your Carbon Neutral Gas Program work?**

Customers purchasing natural gas supply from Direct Energy have the option to make their personal natural gas consumption carbon neutral. This means Direct Energy will, for each calendar year, purchase and retire carbon offsets sufficient to match the carbon emissions produced by your use of natural gas.

**Does this mean I will be getting a different kind of natural gas?**

No. Your natural gas is the same natural gas commodity whether or not you enroll in the Carbon Neutral Gas Program.

**What does it mean to be "carbon neutral"?**

Going "carbon neutral" allows you to take responsibility for the greenhouse gas emissions you create when you are cooking at home, for example, or heating your home or business with natural gas. Carbon neutral refers to a neutral (or "net zero") release of carbon dioxide emissions by balancing the amount of carbon dioxide you have emitted with an equivalent amount of carbon dioxide that has been reduced or removed under an offset project.

**What is a carbon equivalent?**

Many chemical compounds found in the Earth's atmosphere act as "greenhouse gases." While carbon dioxide gas (CO<sub>2</sub>) is considered the most common chemical compound contributing to the "greenhouse effect", other compounds also contribute to this effect. The various amounts of these other gases are converted and measured in what is called "carbon equivalent" amounts so that there is a single, common reference for the emission offsets that are purchased.

**What does "greenhouse effect" mean?**

"Global warming," or climate change, can occur as more greenhouse gases cause more heat to be trapped in the Earth's lower atmosphere. Human activities can contribute to climate change by causing changes in the amounts of greenhouse gases in earth's atmosphere. Climate models from the Intergovernmental Panel on Climate Change indicate that global concentrations of these gases have been rising steadily over the past 100 years, especially since the 1950's. According to the EPA, in the U.S., greenhouse gas emissions stem mainly from energy generation and the combustion of fossil fuels.

**What are greenhouse gas emission offsets?**

A greenhouse gas emission offset is an offset or credit usually generated by a project that has reduced or removed greenhouse gases emitted during a certain time period. Offsets may be issued and tracked through a central authority, or they may also be purchased directly from project owners. Also, offsets are not created until after the reduction or removal of the harmful gas has occurred. The projects, which may be located worldwide, include agricultural methane, biomass, energy efficiency and fuel switching, methane capture from landfills and coal mines, and renewable energy projects. For example, many landfills emit methane, a greenhouse gas. Many project owners are taking the extra step of capturing that methane and using it to generate electricity. If left untreated in open landfills, this landfill gas is released into the atmosphere, creating an environmental liability. However, its recovery and management significantly reduces such GHG emissions and also presents an opportunity to use the landfill gas productively as a unique energy resource. Project owners are then eligible for offsets for the decreased emissions.

**Where is the geographical scope of the offset projects?**

Offset projects may be located anywhere in the world; these businesses, organizations or projects are not limited to your regional or local area. Greenhouse gases mix well in the atmosphere and are not limited by geographic boundaries and hence, travel around the planet very quickly. The impact of an emission reduction in another part of the world is exactly the same as the impact of an emission reduction locally.

**Why should I go "carbon neutral" if I don't have to?**

To make a personal contribution to reduce the impact of climate change, everyone should consider taking account of their personal carbon emissions and make continued efforts to reduce them wherever possible. It is difficult to eliminate all carbon emissions no matter how hard we try. But, going "carbon neutral" is a practical way to do something about your personal carbon emissions. Many businesses and individuals are choosing to go carbon neutral. In addition, many companies are offering customers the chance to purchase carbon neutral products, including airline flights, taxi rides, flowers and carpeting.

<sup>1</sup> Direct Energy's rate excludes the utility charges and taxes.



**Direct Energy**  
**Stark County's Natural Gas Aggregation Program**  
**Frequently Asked Questions**

**How do I know that my money is really going toward the offset of my natural gas use?**

We have engaged an independent accounting firm to confirm and provide assurance, on an annual basis, that our purchases match the amount of carbon dioxide we calculated that you emitted through your use of natural gas during that time.

**How do you calculate my natural gas carbon emissions?**

We calculate that our customers will emit an average of 115.63 lbs. of carbon dioxide per MCF from the natural gas they consume at home. Along with tracking your actual consumption of natural gas, we use this standard to help determine the volume of instruments to purchase.

**Where can I find more information on going carbon neutral?**

There are several websites to visit for more information, which are unaffiliated with Direct Energy:

[www.climatecare.org](http://www.climatecare.org)

[www.terrapass.com](http://www.terrapass.com)

[www.nature.org](http://www.nature.org)

[www.epa.gov](http://www.epa.gov)

<sup>1</sup> Direct Energy's rate excludes the utility charges and taxes.

## Stark County Exhibit B-5 "Experience"

Stark County is well versed in negotiating, contracting and providing for common services to County residents. Some examples of experience as a service provider are:

1. Police Service
2. Fire Service
3. Parks and Recreation
4. Public Works

The County Commissioners and County Staff routinely negotiate for services and supplies that benefit the residents of Stark County. However, due to the complexity of Governmental Aggregation, the County has hired Independent Energy Consultants, Inc. (January 4, 2008) to assist them in designing, implementing and maintaining the Program. Independent Energy Consultants are:

- Certified Electric Aggregators and Brokers #04-116(3) in the State of Ohio.
- Certified Natural Gas Aggregators and Brokers #04-078(3) in the State of Ohio.
- Licensed Electric and Natural Gas Aggregators and Brokers #A-17 in the State of Virginia.
- Registered Aggregators #80252 in the State of Texas.

The founder of Independent Energy Consultants, Inc. has personally designed, implemented and administered over 40 opt-in and opt-out Governmental Aggregation Programs in Ohio. Contact information for Independent Energy Consultants is:

Independent Energy Consultants, Inc.  
820 Deepwoods Drive  
Aurora, Ohio 44202  
Phone: 330 995-2675  
Fax: 216 274-9176  
Email: [info@naturalgas-electric.com](mailto:info@naturalgas-electric.com)  
[www.naturalgas-electric.com](http://www.naturalgas-electric.com)

Among other services, Independent Energy Consultants, Inc. will:

- Draft and assist in maintaining the Plan of Operation and Governance.
- Lead any required Public Hearings and attend County Council meetings upon request.
- Assist the County in the day-to-day administration of program (problem resolution, press releases, PUCO compliance, supplier liaison, contract review, etc.).
- Design and issue the Request for Proposal, analyze supplier responses and provide recommendations for the supply agreement.

### **Stark County Exhibit B-5 "Experience"**

- Review customer data provided by the Local Distribution Company that would serve as the basis for an opt-out notice.
- Write/prepare reports on a quarterly/annual basis to the County, PUCO, and the Ohio Consumers' Counsel.

Stark County will not take title to natural gas, issue bills, read meters or staff a call center for complaints. Those functions will be provided by the Local Distribution Company and the selected CRNGS supplier as detailed in Section 7 of its Plan of Operations and Governance. The County will comply with its responsibilities as a Governmental Aggregator (ORC 4929.20) and will respond to questions concerning the Aggregation Program.