

March 4, 2013

Public Utilities Commission of Ohio  
Docketing Division, 11<sup>th</sup> Floor  
180 East Broad Street  
Columbus, Ohio 43215-3793

**RE: Electric Governmental Aggregator Certification Application for the City of Loveland (Case 13-581-EL-GAG).**

Enclosed please find the application for certification as a Governmental Aggregator of Electricity for the City of Loveland. Please file under case number 13-581-EL-GAG.

Independent Energy Consultants, Inc. is providing aggregation consulting services to the City of Loveland 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  
President

Enclosures



*The Public Utilities Commission of Ohio*

PUCO USE ONLY		
Date Received	Case Number	Version
	13 581 -EL-GAG	August 2004

## **CERTIFICATION APPLICATION FOR GOVERNMENTAL AGGREGATORS**

Please print or type all required information. Identify all attachments with an exhibit label and title (Example: Exhibit A-5 Experience). 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.

### **A. APPLICANT INFORMATION**

#### **A-1 Applicant's name, address, telephone number, and web site address**

Name City of Loveland

Address 120 Loveland Avenue Loveland, Ohio 45140

Telephone Number (513) 683-0150

Web site address (if any) www.lovelandoh.com

**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 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"** provide a copy of the disclosures 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

A-5 **Exhibit A-5 "Experience"** provide a detailed description of the applicant's experience and plan for providing aggregation services, including contracting with retail generation providers, providing billing statements, responding to customer inquiries and complaints, and complying with all applicable provisions of commission rules adopted pursuant to section 4928.10 of the Revised Code.

A-6 **Contact person for regulatory or emergency matters**

Name Mark R. Burns

Title President, Independent Energy Consultants, Inc.

Business address 215 W. Garfield Road, Suite 210 Aurora, Ohio 44202

Telephone number (330) - 995 - 2675 Fax # (800) - 574 - 4508

E-mail address mburns@naturalgas-electric.com

A-7 **Contact person for Commission Staff use in investigating customer complaints**

Name Mark R. Burns

Title President, Independent Energy Consultants, Inc.

Business address 215 W. Garfield Road, Suite 210 Aurora, Ohio 44202

Telephone number (330) 995 - 2675 Fax # (800) - 574 - 4508

E-mail address mburns@naturalgas-electric.com

A-8 **Applicant's address and toll-free number for customer service and complaints**

Address 215 W. Garfield Road, Suite 210

Aurora, Ohio 44202

Toll-free telephone number (888) - 862 - 6060

Fax # (800) - 574 - 4508

[Signature] City Manager  
Signature of Applicant & Title

Sworn and subscribed before me this 25 day of February, 2013  
Month Year

Misty Cheshire  
Signature of official administering oath

Misty Cheshire, Notary  
Print Name and Title

My commission expires on Aug. 31, 2015



OFFICIAL SEAL  
MISTY CHESHIRE  
NOTARY PUBLIC, STATE OF OHIO  
MY COMMISSION EXPIRES AUG. 31, 2015



# **AFFIDAVIT**

State of Ohio :

Loveland ss.  
(Town)

County of Clermont, Hamilton and Warren

Tom Carroll, Affiant, being duly sworn/affirmed according to law, deposes and says that:

He/She is the City Manager (Office of Affiant) of City of Loveland (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 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 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 it will docket with the Commission's Docketing Division the final opt-out and any supplemental opt-outs (including beginning and ending dates of the 21-day opt-out period and the selected CRES supplier) at a minimum 10 days prior to sending the opt-outs to customers.

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.

[Signature] City Manager  
Signature of Affiant & Title

Sworn and subscribed before me this 25<sup>th</sup> day of February, 2013.  
Month Year

[Signature]  
Signature of official administering oath

Misty Cheshire, Notary  
Print Name and Title

My commission expires on Aug. 31, 2015



OFFICIAL SEAL  
MISTY CHESHIRE  
NOTARY PUBLIC, STATE OF OHIO  
MY COMMISSION EXPIRES AUG. 31, 2015

EMERGENCY ORDINANCE 2013 - 12

Ordinance acknowledging the authorization and establishment of an electric Governmental Aggregation Program ("Aggregation Program") with opt-out provisions pursuant to Section 4928.20 of the Ohio Revised Code for the residents, businesses, and other electric consumers in the City of Loveland; authorizing the City Manager to execute a supply agreement with a P.U.C.O. certified supplier; and declaring an emergency

**WHEREAS**, on November 6, 2012, Loveland residents voted in favor of the City having the authority to aggregate the retail electric loads located in the City and to enter into service agreements to facilitate for those loads the sale and purchase of electricity pursuant to Section 4928.20 of the Ohio Revised Code; and

**WHEREAS**, after the passage of the ballot, the City Council held two public hearings as required by Ohio Revised Code 4928.20(c) to explain customer rights in an "opt-out" aggregation and to adopt a Plan of Operations and Governance for its electric governmental aggregation program.

**NOW, THEREFORE BE IT ORDAINED** by the Council of the City of Loveland, Hamilton, Clermont and Warren County, Ohio:

**Section 1.** That the City Council of Loveland acknowledges the affirmative vote of the electorate on November 6, 2012, thereby granting authority to the City of Loveland to establish an electric aggregation program.

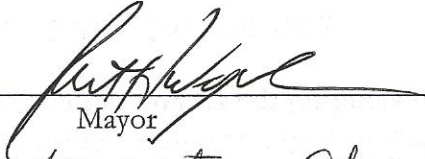
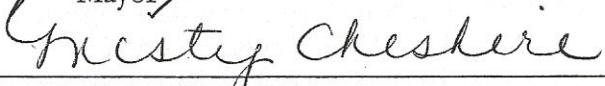
**Section 2.** That this Council hereby adopts the City of Loveland's Plan of Operations and Governance, attached hereto and incorporated herein by reference as Exhibit A, for the implementation and administration of the City's electric aggregation program in accordance with Ohio Revised Code 4928.20(c).

**Section 3.** That the City Manager is hereby authorized to enter into an electric supply service agreement with a P.U.C.O. Certified Retail Electric Service Supplier to facilitate the sale and purchase of electricity in the City's opt-out program.

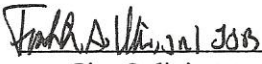
**Section 4.** That it is found and determined that all formal actions of this Council concerning and relating to the adoption of this Ordinance were adopted in an open meeting of this Council, and that all deliberations of this Council and any of its committees that resulted in such formal action, were in meetings open to the public, in compliance with all legal requirements, including section 121.22 of the Ohio Revised Code.

**Section 5.** That this Ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the health, safety, welfare and morals of the City of Loveland, and is necessary in order to begin the process of P.U.C.O. certification at the earliest possible date.



  
\_\_\_\_\_  
Mayor  
  
\_\_\_\_\_  
Clerk of Council

Approved as to Form:

  
\_\_\_\_\_  
City Solicitor

First Reading: 2-12-13  
Second Reading: Emergency  
Passed: 2-12-13

## POLICE REPORTS

## LOVELAND

## Arrests/citations

Juvenile, 17, seat belt required, curfew-hours of, Jan. 20.  
 Juvenile, 17, speed, curfew-hours of, Jan. 20.  
 Mitchell L. Christian, 32, 529 N. Columbus St., driving under suspension-failure to reinstate license, license plates-display of, re-cite other department, Jan. 20.

Michael E. Clagg, 27, 5444 Wolfpen-Pleasant Hill No. 108, re-cite other department, Jan. 16.

Michael Terrance Williams, 27, 3001 Arrowhead Trail, re-cite other department, Jan. 17.

Michael Terrance Williams, 27, 3001 Arrowhead Trail, theft-petty, Jan. 17.

Jamie L. Owens, 18, 6150 Manila Road, weapon, carry concealed, Jan. 18. Tevin Wilson, 19, 112 Shingle Oak, failure to appear-

arrest warrant, Jan. 18.  
 Fred A. Zadek, 19, 215 Chestnut St., liquor; underage possession, Jan. 18.

Zachary Lee Burdine, 22, 924 Sunrise Drive, re-cite other department, arrest-other agency/county warrant, Jan. 18.  
 Michael Fields, 19, 661 Park Ave. C3, re-cite other department, Jan. 19.

Brandon J. Burch, 36, 110 Cherokee Drive, drug abuse-possession, use, Jan. 19.

Juvenile, 17, drug paraphernalia, curfew-hours-of, Jan. 19.

Juvenile, 16, drug paraphernalia, curfew-hours-of, Jan. 19.

Juvenile, 16, drug paraphernalia, curfew-hours-of, Jan. 19.

## Incidents/investigations

## Animals-barking/howling dogs

At 346 Ruth Ave., Jan. 21.

## Curfew-hours of

At 1425 Loveland-Madeira Road, Jan. 20.

Drug abuse-possession/use  
 At 800 W. Loveland Ave., Jan. 19.

Drug paraphernalia, curfew-hours of  
 At 894 Oakland Road, Jan. 19.

Endangering children-operating vehicle under influence of alcohol/drugs with children  
 At 401 W. Loveland Ave., Jan. 17.

Liquor; underage possession, weapon-carry concealed, failure to appear-arrest warrant

At Miami View Drive and Highridge Drive, Jan. 18.

## Re-cite other department

At 126 S. Lebanon Road, Jan. 16.

At 126 S. Lebanon Road, Jan. 17.

At 924 Sunrise Drive, Jan. 18.

At 897 Loveland-Madeira Road, Jan. 19.

At 100 Engle Ave., Jan. 20.

## Theft

At 204 Elm St., Jan. 16.

At 1701 Lindenhall Drive, Jan. 20.

## Theft-dangerous drugs

At 124 Engle Ave., Jan. 20.

## Theft-grand

At 1401 Loveland-Madeira Road, Jan. 23.

## MIAMI TOWNSHIP

## Arrests/citations

Eva D. Smith, 78, 1062 Brunswick, driving under influence, open container, Jan. 6.

Tiffany M. Jones, 29, 2003 Woodlawn, drug abuse, paraphernalia, obstructing official business, Jan. 7.

Melissa A. Young, 29, 12 Pineview No. 5, driving under influence, leaving scene, Jan. 7.

Barbara L. Towner, 41, 9767 Morrow Woodville Pike, driving under influence, falsification,

drug instrument, paraphernalia, Jan. 7.

Jeffrey L. Kash, 21, 713 Mile Lane, driving under influence, drug possession, paraphernalia, Jan. 10.

Juvenile, 17, domestic violence, Jan. 12.

Chelsea M. Bailey, 24, 5469 Ave., transient vendor restriction, Jan. 12.

## Incidents/investigations

## Burglary

Various firearms taken; \$29, at 304 Indian View, Jan. 10.

## Criminal damage

Fencing damaged at Ed's B Shop at 1607 Ohio 131, Jan. 11.

Criminal damage, trespass  
 Drywall damaged at 643 S. Road, Jan. 12.

## Disseminating matter harmful to juvenile

Student received nude photo on her I-pod at Live Oaks & Buckwheat Road, Jan. 11.

## Domestic violence

At Deblin Drive, Jan. 12.

## Fraud

Female stated ID used with authorization; \$3,688 loss, 1233 Baywood, Jan. 7.  
 Male stated ID used with no authorization; \$95 loss at Irish Dude, Jan. 7.

## Misuse of credit card

Male stated credit card use

## DEATHS

## Clara M. Drongowski

Clara M. Drongowski, 97, of Loveland died Jan. 9.



Drongowski

Maryanne (Larry) Kosater; nine grandchildren; and 10 great-grandchildren.

Preceded in death by parents Walter and Wladyslawa (nee

Survived by sons Dr. Frank S. (Susan) Drongowski, Daniel J. Drongowski, Michael J. (Maggie) Drongowski; daughter,

Posieczynski) Robak; husband Frank P. Drongowski; daughter-in-law, Marcia Drongowski; grandchild, Tracy Berkland; sister, Wanda Bialek.

Services were Jan. 16 at Shepherd Catholic Church, Cincinnati. Memorials to: U Retirement Community Ad Fund, 12050 Montgomery Cincinnati, OH 45249.

## Charles Wendell Gose

Charles Wendell Gose, 8, Loveland died Jan. 24.

Survived by wife, Helen (nee Tharp) Gose; sons Phil (Lois) Gose and Mark W. (K



## Legal Notices

## PUBLIC HEARING NOTICE

The City of Loveland will hold two public hearings on its Natural Gas and Electric Aggregation Programs' Plan of Operation and Governance. The public hearings will be held at City Hall located at 120 West Loveland Avenue, Loveland, Ohio, on Friday, February 8, 2013 at 11 a.m. and on Tuesday, February 12, 2013, at 8 p.m. On November 6, 2012, Loveland voters passed ballot questions, which authorized the City to form a Governmental Natural Gas Aggregation program and a Governmental Electric Aggregation program for the purchase of natural gas and electric, respectively, on behalf of Loveland residents. The City of Loveland shall adopt its Plans of Operation and Governance for electric and natural gas pursuant to Sections 4928.20 (C) and 4929.26 (C) of the Ohio Revised Code, respectively, and develop opt-out aggregation programs following the procedures set forth in Ohio Revised Code Section 4928.20 and 4929.26. The Plans of Operation and Governance will describe services provided, professional assistance used, determination of rates, opt-out procedures, customer billing procedures, credit procedures and joining/leaving the aggregation procedures. All eligible customers who receive natural gas and/or electric supply service from Duke Energy will be included in the City's aggregation programs. If an acceptable supply offer is received, eligible customers will receive a mailing notifying them of the program rates, terms and conditions and their right to opt-out. Individuals with disabilities requiring special accommodations that wish to attend this hearing should call 513-707-1437 at least seven (7) days in advance so arrangements can be made.  
 Tom Carroll  
 City of Loveland

1746439

HAPPENINGS  
AROUND THE TOWN

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# Jeff Wyler

CADILLAC



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JeffW

581  
(RT



## POLICE REPORTS

### MIAMI TOWNSHIP

18.

Male was threatened at 11:00 p.m.

April 2 October 3 (Thursday)  
 May 7 November 7 (Thursday)  
 June 11 (2nd Tuesday) December 10  
 \*August 9 (9am) Administrative Retreat  
 \*No work sessions are scheduled for July  
 1746939

### PUBLIC HEARING NOTICE

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Tom Carroll  
 City of Loveland 1746439

### SYMMES TOWNSHIP

## HELPING HANDS

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CINCINNATI

Ballet

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# CINCINNATI!.com

## HAS YOUR TICKETS!

Visit [Cincinnati.com/giveaways](http://Cincinnati.com/giveaways) for your chance to win tickets to see The Nutcracker

Winners will be chosen at a random drawing on February 8, 2013 at 9:00AM.

NO PURCHASE NECESSARY. Must be a resident of Ohio, Kentucky or Indiana who is 18 years or older to enter. Deadline to enter is February 8, 2013 at 9:00AM. For a complete list of rules visit [Cincinnati.com/giveaways](http://Cincinnati.com/giveaways).

# CITY OF LOVELAND ELECTRIC AGGREGATION PROGRAM

## Plan of Operations and Governance

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



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## **1. Purpose of Electric Aggregation Program & Services**

This aggregation plan has been developed in compliance with Ohio Revised Code, Section 4928.20 regarding governmental aggregation of electric service. That section of the Code defines two different types of aggregation that may be enacted by a governmental entity; opt-in aggregation and opt-out aggregation. The City of Loveland ("the City") will administer an opt-out aggregation program that will automatically include all eligible electric accounts receiving a beneficial offer from a Competitive Retail Electric Service Supplier (CRES Supplier). Those customers will be given prior notice entitling them to affirmatively elect not to be part of the Program.

The City passed the necessary ordinance to place the issue of Opt-out Governmental Aggregation of electricity on the November 6, 2012 ballot. The ballot issue subsequently passed. The City 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 4928.20 (C) of the Ohio Revised Code.

The City's Aggregation Program ("Program") seeks to aggregate the retail electric loads of consumers located in the City to negotiate the best rates for the generation supply of electric power. With a City population of approximately 12,000 the Program has the potential to combine residential accounts and small commercial accounts into a buying group that will be attractive to a Competitive Retail Electric Service Supplier (CRES Supplier). Participation in the Program is voluntary. Any individual customer ("Member") has the opportunity to decline to be a Member of the aggregation Program and to return to the local utility (Duke Energy) standard offer of service or to enter into a power supply contract with any CRES Supplier.

Residential and small commercial electric customers often lack the ability to effectively negotiate electric supply services. The City'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 electric energy and to gain other favorable terms of service. The City will not buy and resell the power to the Program Members. Instead, the City will competitively bid and negotiate a contract with a CRES Supplier to provide firm, full-requirements generation service to the Members of the aggregation Program.

Due to the complexity of deregulation of the electric utility industry, the City 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 professional assistance which includes these consulting services:

- Draft and assist in maintaining this Plan of Operation and Governance;
- Lead the required Public Hearings and attend Council meetings;
- Assist the City in the day-to-day administration of the 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 Duke Energy that would serve as the basis for an Opt-Out Notice; and
- Write/prepare reports on a quarterly/annual basis to the City, PUCO, PUCO's Market Monitoring division, and the Ohio Consumers' Counsel.

## 2. Determination of Rates and Other Charges

### 2.1. Rates

Through the efforts of its consultant, Independent Energy Consultants, Inc., the City will seek proposals from CRES suppliers. The request for proposals shall require the suppliers to offer a generation charge for firm, full-requirements supply. CRES Providers will bid by Duke Energy customer rate classification or customer class. CRES Providers will be encouraged to bid on as many electric 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 interval metering and individual price analysis. Furthermore, a CRES Provider may not be able to beat Duke Energy's tariff rates for all customer classes and/or rate schedules. The prices to be charged to Members in the Program will be set by the City Council, or their designee, after negotiations with the selected CRES Supplier. 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 City limits. Once offers are found a table similar to the one shown below will be populated to reflect the offer rates.

<b>Duke Energy Rate Schedule</b>	<b>CRES Supplier Offer</b>
RS – Residential Service	
DM – Secondary Distribution Service	
Other	

### 2.2 Charges

Neither the City 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.

Duke Energy will continue to bill for Late Payment, Delivery Charges and Monthly Service Fee, etc. These charges apply whether or not a Member switches to the Program's CRES supplier. Switching generation suppliers will not result in any new charges billed to the Member.

### 2.3 Switching Fees

Should Duke Energy assess a switching fee for Members voluntarily remaining in the aggregation Program; the Request for Proposal will be written to require the

selected supplier to pay the switching fee.

#### 2.4 Early Termination Fee

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

### 3. Process for Providing Opt-Out Disclosure Notices

When a successful supply offer is found, the City shall order the eligible customer list from Duke Energy. Duke Energy shall turn over the list to the City or its consultant upon request. Once the list is obtained, it will be shared with the selected CRES supplier and they will have 30 days from the City's receipt of the data to mail the Opt-Out Notices to all eligible Members receiving an offer.

Prior to including a customer's electric account or accounts in an aggregation, the City in cooperation with the selected CRES 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 selected CRES 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 electric account mailing address shown on Duke Energy's customer list. The notice will contain the City's name and logo to clearly indicate to the recipient that it is a notice from the City.

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 City, the CRES supplier will mail Opt-Out Notices to eligible Members. 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 City's Program.

In the event that an eligible Member is inadvertently not sent an Opt-Out Notice and is omitted from the Program, the CRES supplier shall, upon request, enroll the eligible Member at the group rate for the remaining term.

### 4. Determination of Eligible Customer Pool

Under the opt-out aggregation provisions, all eligible electric consumers within the City 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:

- Duke Energy will query their customer database using best efforts to capture all accounts within the City limits;
- The City's consultant working with the CRES supplier, available City resources and publicly available material shall screen out customers who are not located within the City 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 City maps, internet maps, county parcel mapping databases, and geographical information systems (GIS);
- Ineligible accounts will be screened out based on codes provided in the Duke Energy data;
- The data shall be reviewed to see that all zip codes have been included, all streets included, all customer classes, all customer rate schedules, and finally that an expected total for a community of this population was turned over;
- Any suspected omissions will be reported to Duke Energy along with a request to furnish that data; and
- Eligibility may be limited by a supplier's offer. For example, a fixed rate might not be offered to an account if their Price-to-Compare indicates they would not save.

## **5. Opt-Out Process**

The City is using an Opt-Out form of Governmental Aggregation pursuant to section 4928.20 of the Ohio Revised Code. Any such person that opts-out of the aggregation Program pursuant to stated procedure will default to the standard service offer provided by Duke Energy until the person chooses an alternative supplier.

When a successful supply offer is found the City shall order the eligible customer list from Duke Energy. Duke Energy shall turn over the list to the City or its consultant upon request. Once the list is obtained, it will be shared with the selected CRES supplier and they will have 30 days from the City's receipt of the data to mail the Opt-Out Notices to all eligible Members receiving an offer.

The selected CRES supplier and the City 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 CRES 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 electric account mailing address shown on Duke Energy's customer list. A City official will sign the notice and it will contain the City's name and logo on the outside to clearly indicate to the recipient that it is a notice from the City.

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 City, the CRES supplier will mail Opt-Out Notices to eligible Members receiving an 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

City's Program. If available, Members may also call the CRES supplier's toll-free recorded phone number to opt-out. The selected CRES 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 CRES 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 three years.

**Procedure Steps:**

1. The selected CRES supplier and the City 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;
2. The selected supplier will distribute an Opt-Out Form to all eligible Members via first class U.S. Mail;
3. Recipients will have 21 days from the postmark on the notice to notify the selected CRES supplier if they do not want to be part of the Program;
4. Members will be able to opt out by returning an opt-out card via U.S. Mail to the selected CRES supplier. The supplier may offer additional means of opting out, such as, making a toll-free recorded phone call to the CRES supplier, email notification or fax;
5. Additionally, Members who do not opt-out per step 4 above will receive written notification from Duke Energy stating that they are about to be switched. That notice will inform them that they have 7 days to rescind the contract by contacting Duke Energy; and
6. The selected CRES supplier will not enroll those accounts opting out from the Program.

The Opt-Out Notice will clearly notify the Program Members of the rates to be charged for electricity and other terms of the contract with the selected supplier. The notice will also satisfy the requirements for disclosing the environmental impact of the generation sources used to supply the Program.

## **6. Customer Classes Included**

All eligible Members are included in the Program but the selected CRES supplier's offer will determine which groups receive an offer and Opt-Out Notice. It is envisioned that residential and small commercial customers supplied by Duke Energy within the City limits are the most likely to receive an offer. The specific rate schedules will be identified in Section 2 of this Plan of Operation. In addition to having a rate schedule listed in Section 2, the following eligibility requirements apply.

- Customers must be up to date with their bill payment;
- Customers must not have Opted-out of the Program;
- Customers must not be on the Do Not Aggregate list;
- Customers must not be supplied generation service from another CRES provider;
- Customers must not be on a special contract with Duke Energy;
- Customers must not be in the Percentage of Income Payment Program (PIPP);
- Commercial Customers must have a Peak Demand of  $\leq 100$  kW; and
- Commercial Customers must not have interval metering;
- Customers must not be classified as mercantile; and
- Eligibility may be further limited by a supplier's offer. For example, a fixed rate might not be offered to an account if their Price-to-Compare indicates they would not save.

## **7. Billing Procedures**

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

Members currently on budget billing will continue to be budget billed. Duke Energy's process will remain the same. Members wishing to start budget billing should contact Duke Energy. The process will take place in accordance with Duke Energy's policy and is not unique to the City's Program. Duke Energy's policies will dictate what portions of a Member's bill are budgeted and how the budget amount is calculated.

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

## **8. Credit/Deposit Requirements**

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

## **9. Procedures for Handling Customer Complaints and Dispute Resolution**

Members have multiple means of addressing complaints. As a general rule, concerns



regarding service reliability should be directed to Duke Energy, questions regarding the Program administration should go to the City, billing questions should be directed to Duke Energy or the selected supplier and any unresolved disputes should be directed to the Public Utilities Commission of Ohio and/or The Ohio Consumers’ Counsel. Listed below is a table of 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	Duke Energy	1-800-543-5599
Service turn on/off	Duke Energy	1-800-544-6900
Billing disputes – Delivery charges	Duke Energy	1-800-544-6900
Billing disputes – Supplier charges	TBD	
Joining/Leaving Program	TBD	
Aggregation Program questions	City of Loveland Independent Energy Consultants	513-683-0150 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

## **10. Moving Into/Within the City**

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 are examples of utility rules approved by the PUCO that will impact the operation of Loveland’s aggregation Program.

Residents and businesses that move into the City will not be automatically included in the City’s Program. The City cannot guarantee the rates, terms and conditions to Members enrolling after the 21-day opt-out period of the initial enrollees. Members wishing to opt-in to the Program may contact the City or the CRES 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 CRES 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 City limits and are assigned a new account number by Duke Energy will be treated in the same manner as a new resident. They will not be automatically enrolled, but may contact the CRES supplier concerning re-enrollment. Once again, there is no guarantee that the CRES Supplier will extend an offer, or an offer that is the same as that of the initial enrollees.

## **11. Moving Within the City and Maintaining the Same Account Number**

The selected CRES Supplier shall continue service at the same rate and under the same

terms and conditions for any Member who relocates within the City prior to the expiration of the contract term, providing that the Member notifies the CRES Supplier of their desire to do so with thirty (30) days written notice. Moving within the City may cause the Member to be served for a brief period of time by the local utility. The CRES supplier shall have the

right to bill the participant for any associated switching fee imposed by Duke Energy. Members may also opt-out without penalty under these circumstances.

## **12. Joining the Aggregation Group after Opting-Out**

Members who have left the aggregation group and wish to rejoin at a later date are treated in the same manner as new residents moving into Loveland. These customers may contact the City or the CRES supplier at any time 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.

## **13. Reliability of Power Supply**

The Program will only affect the generation source of power. Duke Energy will continue to deliver power through their transmission and distribution systems. Responsibility for maintaining system reliability continues to rest with Duke Energy. If Members have service reliability problems they should contact Duke Energy for repairs. The PUCO has established "Minimum Reliability Standards" for all utilities operating distribution systems in Ohio. Customer outages, duration of outages, interruptions, etc., are monitored to ensure reliability remains at satisfactory levels.

In addition to maintaining the "wires" system, Duke Energy is required to be the "Provider of Last Resort." This means, should the selected CRES supplier fail for any reason to deliver any or all of the electricity needed to serve the Members needs, Duke Energy will immediately provide for the shortfall. Duke Energy would then bill the supplier for the power provided on their behalf. The Members would incur no additional cost.

## **14. Supplier Qualification Selection Criteria**

Only Suppliers meeting strict criteria will be considered.

- Suppliers will need to be certified by the Public Utilities Commission of Ohio;
- Registered with Duke Energy 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 Duke Energy to support Governmental Aggregation Program transactions;
- Agree to hold harmless the City from any financial obligations arising from the Program;
- The selected CRES supplier will need to agree to notify the City and negotiate with the City 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; and
- The selected CRES supplier shall demonstrate its creditworthiness by possessing

an investment grade long-term bond rating from at least two major rating agencies:

Should the CRES 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
- a Surety Bond.

Details of the credit type and amount will be subject to negotiation.

## **15. Miscellaneous**

The City 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 City rules for copying public documents.

The City will not alter its Operation and Governance Plan in any way that would materially 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 4901:1-21-17 of the Administrative Code. In the event of a material change, the City 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.

The City or the selected CRES supplier will not issue an Opt-Out Notice before the City has obtained its certification as a Governmental Aggregator of electricity from the Public Utilities Commission of Ohio.

The success of the City's Aggregation Program relies in part to the cooperation it receives from Duke Energy. In addition to other tasks, Duke Energy must turn over accurate customer data and perform the customer switching process in a timely manner. The City will comply with PUCO rules, and will hold Duke Energy to its obligations under the same.

The Electric 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 electric 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 City's aggregation Program would either return to Duke Energy supply service or choose a CRES supplier on their own.

If the City 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.

## City of Loveland Exhibit A-4 “Automatic Aggregation Disclosure”

<City letterhead and/or logo>

CRES supplier name  
CRES supplier address

<Date>

Dear City of Loveland Resident:

I am pleased to announce that the Loveland City Council and I have selected <CRES Supplier> as the electric supplier for our Governmental Aggregation Program. This letter informs you that, pursuant to Ohio Revised Code Section 4928.20, Cities operating Governmental Aggregation Programs of Electricity are required to allow you to opt-out of their program free of charge. At this time you have the following choices concerning your electric supply:

1. You can choose to remain a member of the Loveland program, and enjoy the favorable rates we have negotiated for you. **If you wish to remain in the program you need do nothing;**
2. You can opt-out of the program and shop for and negotiate a contract with a supplier on your own; or
3. You can opt-out of the program and return to Duke Energy as your supplier of electric.

The terms and conditions of the offer we have negotiated on your behalf are shown on the back of this form. If you have any questions about the Loveland program or your options, please contact <CRES Supplier> at 1-XXX-XXX-XXXX. They are standing by to answer any questions you might have.

Loveland officials are acting on behalf of electric consumers who are participating in the program to negotiate an electric supply contract with eligible suppliers. Both Loveland and <CRES Supplier> are certified by the Public Utilities Commission of Ohio to provide this service. This program has been authorized by our Council through an ordinance and subsequent voter approval. 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 Loveland’s Electric 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 Duke Energy, unless and until you choose another supplier. If you switch back to Duke Energy at a later date, you may not be served under the same rates, terms, and conditions that apply to other customers served by Duke Energy.

Loveland has negotiated a <TBD/kWh> price for Loveland residents for the period of <TBD>. More specific information about pricing is contained in the accompanying terms and conditions.

**If you want to be excluded from the Loveland Electric Aggregation Program you must return the enclosed “Opt-Out” form to the <CRES 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 <CRES 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 three years without incurring any penalty. Please note that if you remain in the aggregation group, you will receive a letter from Duke Energy advising you of your impending transfer to <CRES Supplier>, and advising you to contact them 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 electric service provider you may incur a contract termination fee or other charges if you fail to opt-out of the aggregation.**



## City of Loveland Exhibit A-4 “Automatic Aggregation Disclosure”

In Ohio’s deregulated electric environment, Duke Energy will continue to maintain the distribution system that delivers electricity to your home or business. You will continue to receive a single bill from Duke Energy for your electric service, but it will include an electric supply charge from <CRES Supplier> in place of the bundled rate you have been paying Duke Energy. You will still contact Duke Energy regarding loss of electric service, downed wires, or for any other concerns or issues having to do with your local service. Budget billing and automatic billing options will continue to be available through Duke Energy.

If you have any questions, call <CRES Supplier> at 1-XXX-XXX-XXXX from X:XX am to X:XX pm EST, Monday through Friday. For general information on electric deregulation in Ohio, you can also visit the Web Sites of the Ohio Consumer’s Counsel ([www.pickocc.org](http://www.pickocc.org)) or the Public Utilities Commission of Ohio ([www.PUCO.ohio.gov](http://www.PUCO.ohio.gov)).

Sincerely,

*Signature*

Loveland City Manager

*P.S. Remember to return the “Opt-Out” form or call <CRES Supplier> only if you do **not** want to participate in the Loveland Electric Aggregation Program.*

✂-----

### Opt-Out Form – City of Loveland Electric Governmental Aggregation Program

By returning this signed form, you will be **excluded** from the opportunity to join other customers in the City of Loveland Electric Governmental Aggregation Program.

**I wish to opt out of the City of Loveland Electric Governmental Aggregation Program.**

**(Check box to opt out.)**

☐

Duke Energy account holder name (please print clearly): \_\_\_\_\_

Customer number as it appears on your Duke Energy electric bill:

\_\_\_\_\_

Service address (Address, state and zip):

\_\_\_\_\_

Phone number: (\_\_\_\_\_) \_\_\_\_\_ Date: \_\_\_\_\_

Account holder’s signature: \_\_\_\_\_

Mail by <MM/DD/YYYY> to: City of Loveland Electric Governmental Aggregation Program,  
<CRES Supplier Address> **Or**  
**call us prior to X pm MMDDYYYY at 1-XXX-XXX-XXXX**

## City of Loveland Exhibit A-5 "Experience"

Loveland City officials are well versed in negotiating, contracting and providing for common services to the City residents. Some examples of experience as a service provider are:

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

The City Council, Administration and Staff routinely negotiate for services and supplies that benefit the residents of Loveland. However, due to the complexity of Governmental Aggregation, the City has hired Independent Energy Consultants, Inc. to assist them in designing, implementing and maintaining the Program. Independent Energy Consultants are:

- Certified Electric Aggregators and Brokers #04-116(5) in the State of Ohio.
- Certified Natural Gas Aggregators and Brokers #04-078(5) in the State of Ohio.
- Licensed Electric and Natural Gas Aggregators and Brokers #A-17 in the State of Virginia.
- Registered Aggregator #80252 in the State of Texas.
- Licensed Agent/Broker/Consultant in the State of Illinois.

Independent Energy Consultants, Inc. currently manages approximately 50 natural gas and electric aggregation programs that impact approximately 100 communities across Ohio. Contact information for Independent Energy Consultants is:

Independent Energy Consultants, Inc.  
215 W Garfield Road, Suite 210  
Aurora, Ohio 44202  
Phone: 330 995-2675  
Fax: 800 574-4508  
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 this Plan of Operation and Governance;
- Lead the required Public Hearings and attend City Council meetings
- Assist the City 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;
- Review customer data provided by Duke Energy that would serve as the basis for an Opt-Out Notice; and

## City of Loveland Exhibit A-5 "Experience"

- Write/prepare reports on a quarterly/annual basis to the City, PUCO, PUCO's Market Monitoring division, and the Ohio Consumers' Counsel.

Loveland will not take title to electricity, issue bills, read meters or staff a call center for complaints. Those functions will be provided by Duke Energy and the selected CRES supplier as detailed in Section 9 of its Plan of Operation and Governance. The City will comply with its responsibilities as a Governmental Aggregator (ORC 4928.20) and will respond to questions concerning the Aggregation Program.

**This foregoing document was electronically filed with the Public Utilities**

**Commission of Ohio Docketing Information System on**

**3/4/2013 12:30:18 PM**

**in**

**Case No(s). 13-0581-EL-GAG**

Summary: Application Application for Certification as a Governmental Aggregator.  
electronically filed by MARK R BURNS on behalf of City of Loveland