

Integrys Energy Services, Inc. Suite 350 300 West Wilson Bridge Road Worthington, OH 43085 www.integrysenergy.com

July 23, 2013

Public Utilities Commission of Ohio Docketing Division, 11th Floor 180 East Broad Street Columbus, OH 43215-3793

> RE: Opt-Out Notice for the Village of Waldo Case Number 13-1274-EL-GAG

Dear Sir/Madame:

Enclosed please find a copy of the Electric Governmental Aggregation Opt-Out Notice to be sent to all eligible residential customers in the Village of Waldo, OH. This notice is scheduled to be mailed on or around August 2, 2013, and the opt-out period will run for a 21-day period.

Integrys Energy Services is providing aggregation services to the Village of Waldo and is filing this information on the Village's behalf.

Should you have any questions or need additional information, please feel free to contact me.

Sincerely,

Bunda Aloffey Brenda G. Coffey

Aggregation Business Developer and Manager Integrys Energy Services, Inc. (614) 871-5290 bgcoffey@integrysenergy.com

Enclosure

Village of Waldo Electric Aggregation Program



Date XX, 2013

Customer Name Mailing Address1 Mailing Address2 cont. City State Zipcode

Dear Residential Customer,

In November 2012, Village of Waldo voters authorized by majority vote the creation of an Electric Aggregation Program by the Village to seek lower electricity rates for eligible residential and small business customers. Recently, the Village of Waldo selected Integrys Energy Services, Inc. to supply electricity to the Village's Electric Aggregation Program. As a resident or small business owner of Waldo, you are eligible to participate in this program.

You will be automatically enrolled in the program unless you opt out by August 22, 2013.

How You Benefit

The Village has negotiated a competitive price of **6.19¢/kWh**. Integrys' rate is fixed from your first meter read on or after September 3, 2013 meter read through your August 2014 meter read. A fixed price offers price protection and budget stability by locking in your electric rate for the term of the contract. Please see the enclosed Terms and Conditions for full details.

Billing / Service Delivery Unchanged

Other than the price and supplier, nothing regarding your electricity service will change. You will continue to receive one monthly bill from AEP. AEP will continue to deliver your electricity, restore power following an outage, and be responsible for maintaining the system that delivers power to your home.

Enrollment Information

After your enrollment is finalized, AEP will send you a letter confirming your enrollment. As required by law, this letter will inform you of your ability to rescind your enrollment without penalty.

Regarding service at: Premise address Premise address

Three things you should

✓ If you do nothing, you will be automatically enrolled in the Village of Waldo's Program.

✓ AEP will continue sending monthly bills, responding to outages, and delivering your electricity.

✓ No one from Waldo's program will ever come to your door or call you to ask you to switch to a new supplier. Anyone who comes to your door or calls you asking you to switch is not with Waldo's program.

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How to Opt-Out

If you do not wish to participate in the Village of Waldo's Electric Aggregation Program, you must opt-out by AUGUST 22, 2013. To opt-out, return the enclosed postcard. You may also opt-out by contacting Integrys toll-free at 877-235-2289 or online at <u>www.integrysenergy.com/oh-waldo</u>. Additionally, you will have the opportunity to opt-out of the Village's Aggregation Program without penalty at least every three (3) years. If you opt-out, you will continue to be served by AEP.

If you have any questions, please refer to the Frequently Asked Questions on our website at <u>www.integrysenergy.com/oh-waldo</u> or contact Integrys toll-free at 877-235-2289. Representatives are available 24 hours a day, 7 days a week.

Sincerely,

Integrys Energy Services, Inc.

Enclosure: Terms and Conditions



Electricity Purchase and Sale Terms and Conditions – Opt-Out Aggregation – Residential

The Village of Waldo, Ohio ("Municipality"), pursuant to the aggregation authority conferred upon it by electorate vote, which passed by a majority vote on November 6, 2012 and ordinance establishing the program, selected Integrys Energy Services, Inc. ("Seller") to supply the aggregation and to administer enrollments as described below. You, the account holder (also referred to as "Buyer") for the eligible account associated with the service address referenced on the letter accompanying these Electricity Purchase and Sale Terms and Conditions (the "Account"), and Seller agree to the following terms and conditions. Seller and Buyer (individually referred to as "Party" and collectively as "Parties") agree to the following Electricity Purchase and Sale Terms and Conditions ("Agreement"), as of the September 2013 meter read date (the "Effective Date"):

1. Opt-Out Enrollment: Enrollment is automatic for those who are eligible, but participation is voluntary. IF YOU DO NOT WISH TO PARTICIPATE, YOU MUST OPT-OUT BY (1) RETURNING THE POSTCARD POSTMARKED NO LATER THAN AUGUST 22, 2013, (2) BY CALLING 877-235-2289 BY AUGUST 22, 2013 OR (3) BY OPTING-OUT ON SELLER'S WEBSITE AT WWW.INTEGRYSENERGY.COM/OH-WALDO. If you choose to opt-out, you will be served by the standard service offer of AEP OH (the "Utility") or until you choose an alternative supplier of electric service.

2. Eligibility: To be eligible for opt-out aggregation, Buyer and the Accounts to be served (i) must be located within the Municipality's jurisdictional boundaries, (ii) must be served by the Utility, (iii) may not be under contract with another competitive supplier, (iv) may not be on the Public Utilities Commission of Ohio ("PUCO") "do not aggregate" list, (v) must be in good standing with the Utility (including payment history), and (vi) may not be under a Utility special arrangement or percentage of income payment plan (PIPP).

3. Term and Renewal: This Agreement shall become binding on the Effective Date, provided however, the obligation of Seller to sell and schedule electricity for delivery to Buyer and the obligation of Buyer to purchase, take and pay for electricity is contingent upon: (a) eligibility of Buyer and the Accounts, (b) successful enrollment by the Utility, and (c) passage of the Rescission Period without effective cancellation by Buyer. Successful enrollment by the Utility is dependent upon (i) the eligibility of the Accounts, as set forth above and as determined by the Utility, to take from a retail electric supplier and (ii) the accuracy and completeness of any information submitted by Buyer and the Municipality. Service will commence on the first available meter read dates on or after September 3, 2013 and shall remain in effect through the August 2014 meter read ("Initial Term"), unless terminated pursuant to the terms of this Agreement. In the event ineligibility is not ascertained until after service commences, Seller shall provide notice of the same to Buyer and return Buyer to the Utility. Prior to the end of the Initial Term or a Renewal Term (whichever is in effect, hereinafter the "Current Term"), Seller may send Buyer an offer for a Renewal Term. This offer will include, without limitation, the new Price and the Renewal Term ("Offer"). In the event Seller does not receive Buyer's rejection of the Offer by the deadline indicated in the Offer, the Offer will be deemed accepted by Buyer without the need for further signature or other affirmative action by Buyer. If Buyer rejects the Offer in the manner directed in the Offer, the Accounts will be returned to Utility service at the end of the Current Term. If Seller does not submit an Offer to Buyer and instead indicates that the Agreement will be extended on a month to month basis at prevailing market rates, then the Agreement will be extended as set forth in the notice or terminated as directed by Buyer. Buyer shall have the opportunity to opt-out of the Aggregation at least every three years without penalty.

4. Rescission Period: The Utility will send Buyer a letter confirming transfer of service upon processing of Buyer's enrollment and Buyer will have 7 days from the postmark date of that letter to cancel its enrollment, without penalty, ("Rescission Period") by calling the Utility on the toll-free number provided in the letter or by providing written notice to the Utility.

5. Price: For each billing cycle of Initial Term, Buyer shall pay a Fixed Rate of **\$0.0619 per kWh**, multiplied by the billing cycle usage for the Accounts. Both Parties recognize that Seller's charges include tariff charges that are set forth by the Utility, transmission provider, regional transmission organization or independent system operator ("RTO/ISO"), the Federal Energy Regulatory Commission, PUCO, and/or any other state or governmental agency having jurisdiction (each an "Authorized Entity"). Seller may pass through to Buyer, without markup as a separate line item or as an updated Fixed Rate, (a) any increase in such tariff charges or (b) other increase in Seller's cost to provide electricity that result from an addition to, a change in, or change in interpretation by an Authorized Entity of, or change in administration by an Authorized Entity of, tariffs, operating protocols, laws, regulations, or other requirements of an Authorized Entity, as applicable. Buyer will also incur delivery and other additional service charges from the Utility. Switching fees may apply when service is established with Seller (which will be reimbursed by Seller, if applicable), but Buyer will not be charged separately by Seller for a switching fee. Seller's charges or credits not invoiced through the Utility (including early termination fees pursuant to Section 8) shall be invoiced or credited, respectively, directly by Seller. Any such charges shall be due within 21 days following the invoice date and payments not received by the due date will be deemed past due and shall accrue interest on the unpaid balance, provided that such percentage does not exceed the maximum amount allowable by law. Seller does not offer budget billing for generation charges, but Buyer may contact the applicable Utility for information on whether the Utility offers budget billing for Seller's charges.

6. Billing and Payment: Buyer will be invoiced by the Utility for both Seller's charges and the Utility's delivery charges. Such billing and payment (including fees associated with late payments) shall be subject to the applicable Utility rules regarding billing and payment procedures. Seller may cause the Utility to correct previous invoices in the event of invoicing errors.

Waldo Opt-out AEP OH residential 07-2013

7. Taxes: Any tax levied against Seller by any governmental entity, exclusive of Seller's income tax or taxes levied on Seller's real or personal property, that must be paid by Seller shall be passed through to and borne and reimbursed by Buyer. Buyer must provide Seller with any applicable exemption certificates. Buyer shall pay any such taxes unless Seller is required by law to collect and remit such taxes, in which case Buyer shall reimburse Seller for all amounts so paid.

8. Limitations: ALL ELECTRICITY SOLD HEREUNDER IS PROVIDED "AS IS", AND SELLER EXPRESSLY DISCLAIMS ALL OTHER WARRANTIES, WHETHER EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSE. IN NO EVENT WILL EITHER PARTY BE LIABLE UNDER THIS AGREEMENT, WHETHER IN AGREEMENT, IN TORT (INCLUDING NEGLIGENCE AND STRICT LIABILITY), OR OTHERWISE, FOR INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL, OR PUNITIVE DAMAGES.

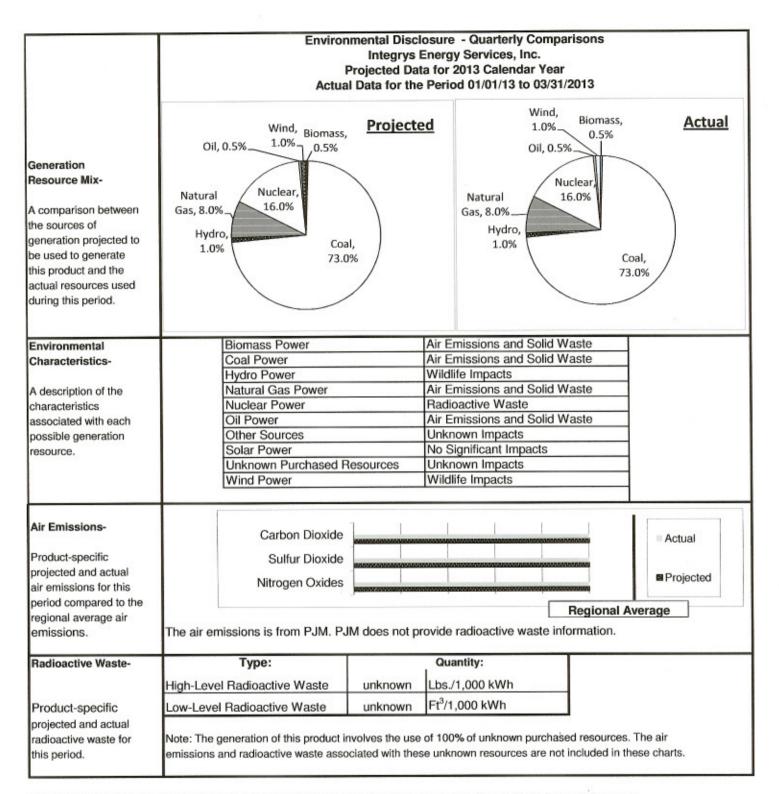
9. Environmental Disclosure: The disclosure provided herewith describes the generation resource mix and environmental characteristics of the electricity. To receive this disclosure by e-mail, Buyer may request such by contacting Seller

10. Termination; Remedies: Seller may terminate Buyer's service under this Agreement for non-payment with at least 14 days written notice. Failure to pay Utility invoices may result in Buyer being disconnected in accordance with the Utility tariff. Buyer may terminate this Agreement without penalty if Buyer moves outside of Seller's service area or into an area where the Seller charges a different price. In the event (a) (1) Buyer terminates this Agreement with respect to an Account by failing to take electricity for such Account before the end of the Initial Current Term (except as permitted in this Agreement) or (2) Seller terminates this Agreement as a result of Buyer's failure to pay, Seller reserves the right to charge early termination fees. The early termination fees shall total \$25 per Account. The Parties expressly acknowledge that if Buyer defaults, damages would be difficult to ascertain and quantify and agree that this provision for calculating damages is reasonable in light of the anticipated or actual harm and is not a penalty. If Buyer switches back to the Utility, Buyer may not be served under the same rates, terms, and conditions that apply to other customers served by the Utility. The Choice program is under the ongoing jurisdiction of the PUCO.

11. Force Majeure: Except for Buyer's obligation to pay Seller timely, neither Party shall be liable to the other for failure to perform an obligation if the non-performing Party was prevented from performing due to an event beyond the reasonable control, that could not be remedied by the exercise of due diligence and that was not reasonably foreseeable, including without limitation, acts of God, a condition resulting in the curtailment of electricity supply or interruption or curtailment of transmission on the electric transmission and/or distribution system, interruption of Utility service, terrorist acts or wars, and force majeure events of the Utility or RTO/ISO.

12. Questions, Complaints and Concerns: Buyer may contact Seller 24 hours per day, 7 days per week at 877-235-2289. Seller's mailing address is 1716 Lawrence Drive, DePere, WI 54115, and its website is www.integrysenergy.com/OH-Waldo. Seller will attempt to resolve all customer complaints in a timely manner and will respond to all complaints within 5 business days of receipt. If Buyer's complaint is not resolved after Buyer has called Seller and/or the Utility, or for general utility information, residential and business customers may contact the PUCO for assistance at 1-800-686-7826 (toll-free), or for TTY toll free at 1-800-686-1570 (toll-free), from 8a.m. to 5:00p.m. weekdays, or at 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.

13. Miscellaneous: Buyer hereby authorizes the Utility to release data to Seller regarding Buyer's historical or current billing and usage data. This Agreement shall be governed by and construed in accordance with the laws of the State of Ohio and any applicable Utility tariffs. Buyer appoints Seller as its agent for the purposes of effectuating delivery, including for receipt of billing and usage data from the Utility. Title, possession, control of the electricity, and risk of loss will pass from Seller to Buyer at the interconnect between the applicable RTO/ISO's transmission system and the Utility's distribution system. Subject to regulatory approvals and notice from Seller, Seller may assign this Agreement without Buyer's consent. Buyer may assign this Agreement only with Seller's prior written consent. This Agreement constitutes the entire agreement between the Parties, superseding all verbal and written understandings. The Parties acknowledge and agree that (a) this Agreement constitutes a "forward contract" and/or "forward agreement" within the meaning of title 11 of the United States Code (the "Bankruptcy Code"), (b) each Party is a "forward contract merchant" within the meaning of the Bankruptcy Code, (c) for purposes of this Agreement, each Party is not a "utility" within the meaning of Section 366 of the Bankruptcy Code, and (d) each Party agrees to waive and not to assert the applicability of Section 366 of the Bankruptcy Code in any bankruptcy proceeding wherein such Party is a debtor, and (e) each Party further agrees to waive the right to assert that the other Party is a provider of last resort. This Agreement shall only be amended in a writing signed by both Parties or pursuant to Section 4 hereof. By agreeing to the terms and conditions herein, Buyer warrants the he or she is authorized to enter into this Agreement on behalf of the Party and Accounts for which it was made. Buyer should contact the Utility in the event of an electricity emergency. Seller is prohibited from disclosing Buyer's social security number and/or account number(s) without Buyer's affirmative written consent, except for the purpose of (i) Seller's collections and credit reporting, (ii) participation in programs funded by the universal service fund, (iii) pursuant to section 4928.54 of the Ohio Revised Code, or (iv) assigning this Agreement to another certified retail electric provider. Buyer may request from Seller, twice within a 12-month period, up to 24 months of Buyer's payment history without charge.



With in-depth analysis, the environmental characteristics of any form of electric generation will reveal benefits as well as costs. For further information, contact Integrys Energy Services, Inc. by phone at (866) 977-5669 or at www.integrysenergy.com. This foregoing document was electronically filed with the Public Utilities

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Summary: Opt-Out Notice Residential Customers electronically filed by Mrs. Brenda G Coffey on behalf of Village of Waldo