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January 2, 2014

**VIA ELECTRONIC FILING**

Public Utilities Commission of Ohio  
Docketing Division  
180 E. Broad Street  
Columbus, Ohio 43215


Re: In the matter of the Renewal Application for  
Governmental Electrical Aggregators for the  
City of Gallipolis

Dear Sirs:

Please see the attached Renewal Application for Governmental Electrical Aggregators to be  
filed in the above matter.

Very truly yours,

VOLUNTEER ENERGY SERVICES, INC.

  
John L. Einstein, IV, Esq.



Original GAG Case Number	Version
12-0338-EL-GAG	August 2004

## RENEWAL APPLICATION FOR GOVERNMENTAL AGGREGATORS

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

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

### A. RENEWAL INFORMATION

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

Legal Name The City of Gallipolis

Address 333 Third Avenue

PUCO Certificate # and Date Certified 12-460E (1), February 21, 2012

Telephone # 740-446-1789 Web site address (if any) http://www.gallia.net www.cityofgallipolis.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 current plan for operation and governance of its aggregation program adopted pursuant to Section 4928.20(C) of the Revised Code. The Operation and Governance Plan explained in Exhibit A-3 should include:

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

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

**A-5 Contact person for regulatory or emergency matters**

Name Randy Finney  
Title City Manager  
Business address 333 Third Avenue  
Telephone # 740-446-1789 Fax # 740-441-2070  
E-mail address (if any) citymanager@gallianet.net GALLIPOLIS CITY. EOM

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

Name Fred R. Holmes  
Title Director of Municipal Aggregation  
Business address 790 Windmill Drive, Pickerington, Ohio 43147  
Telephone # 614-328-2938 Fax # 614-328-2939  
E-mail address (if any) fholmes@volunteereenergy.com

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

Customer Service address 790 Windmill Drive, Pickerington, Ohio 43147  
Toll-free Telephone # 800-977-8374 Fax # 614-856-3301  
E-mail address (if any) fholmes@volunteereenergy.com

Randy Finney CITY MANAGER  
Signature of Applicant & Title

Sworn and subscribed before me this 23rd day of DEC, 2013  
Month Year

Sandra M. Saxon  
Signature of official administering oath

SANDRA M. SAXON  
NOTARY PUBLIC  
Print Name and Title

SANDRA M. SAXON, CPS  
NOTARY PUBLIC, STATE OF OHIO  
MY COMMISSION EXPIRES 10-31-2016  
My commission expires on Oct. 31, 2016

# **AFFIDAVIT**

State of Ohio :

Gallipolis ss.  
(Town)

County of Gallia :

Randy Finney, Affiant, being duly sworn/affirmed according to law, deposes and says that:

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

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

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

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

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

*Anthony J. Jimmy* CITY MANAGER  
Signature of Affiant & Title

Sworn and subscribed before me this 28<sup>th</sup> day of DEC., 2013  
Month Year

*Sandra M. Saxon*  
Signature of official administering oath

SANDRA M. SAXON  
NOTARY PUBLIC  
Print Name and Title

SANDRA M. SAXON, CPS  
NOTARY PUBLIC, STATE OF OHIO  
MY COMMISSION EXPIRES 10-31-2016

My commission expires on OCT. 31 2016

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### Execution of Agreement

The Parties acknowledge their agreement to the terms herein by their signatures below.

City of Gallipolis

By: Randy Finney

Name: Randy Finney

Title: City Manager

Date: 12/23/2013

Volunteer Energy Services, Inc.

By: Richard A. Curnutte Sr.

Name: Richard A. Curnutte Sr.

Title: President

## Exhibit B-1, Authorizing Ordinance

**ORDINANCE NO. O2011-102**

**AN ORDINANCE TO APPROVE THE PLAN OF  
OPERATION AND GOVERNANCE FOR THE  
CITY OF GALLIPOLIS, OHIO,  
ELECTRIC AGGREGATION PROGRAM**

WHEREAS, pursuant to Chapter 4928 of the Ohio Revised Code, to facilitate competitive retail electric service to promote electric savings, lower cost of electric supplies, and other benefits, certain governmental entities may aggregate certain electric consumers within the jurisdiction: and

WHEREAS, on November 7, 2006, the electors of the City of Gallipolis approved of the City's plan to create an aggregation program for customers located within the boundaries of the City: and

WHEREAS, Revised Code 4928.20(C) requires a governmental entity interested in the automatic registration of customers under governmental aggregation, subject to customer rights to "opt-out" of such an aggregation, to adopt a plan of operation and governance for its aggregation program: and

**NOW THEREFORE, BE IT ORDAINED** by the Gallipolis City Commission of the City of Gallipolis, State of Ohio:

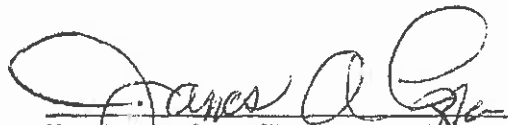
**SECTION 1:** That this Commission hereby adopts the City of Gallipolis' Plan of Operation and Governance, attached hereto and incorporated herein by reference as Exhibit "A" for the implementation and administration of the City's municipal electric aggregation program in accordance with Revised Code 4928.20(C).

**SECTION 2:** This Ordinance shall be in full force and effect at the earliest period of time allowed by law.

PASSED: November 1, 2011

ATTEST:

  
Clerk of the City Commission  
Annette M. Landers

  
President of the City Commission  
James A. Cozza

The foregoing Ordinance is hereby approved as to form.

I hereby certify the above to be a true and correct  
copy of Ordinance No. O2011-102, this 6<sup>th</sup>  
day of November, 2011.

  
Clerk of the City Commission

  
Gallipolis City Solicitor  
Adam R. Salisbury



## Exhibit B-2, Operation and Governance Plan

**City of Gallipolis**  
**Electric Power Aggregation**  
**Plan of Operation and Governance**

Initially, each eligible consumer within the City's corporation limits will be automatically included in the Aggregation Program. However, prior to actual enrollment, each consumer for whom electric rates, terms and conditions have been negotiated will receive a notice detailing the rates, terms and conditions that will apply to that consumer.

A similar opt-out period will be offered every three years during which time consumers can leave the Aggregation Program without paying a switching fee.

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

Participants who relocate within the City limits may be allowed to continue in the Aggregation Program at their new location under the same terms and conditions as at their former location, provided the AEP rate classification is the same at both locations, and subject to any switching fees imposed by AEP.

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

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

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

### **Plan of Operation and Governance**

The Gallipolis City Commission shall approve by ordinance the Aggregation Program's Plan of Operation and Governance in accordance with Ohio Revised Code Section 4928.20. Amendments to the Plan and Governance may be subject to Gallipolis City Commission approval and filing with the PUCO.

After adoption of the Plan of Operation and Governance, the City will file with the PUCO for governmental aggregator

certification and also register as a governmental aggregator with AEP.

### **Aggregation Program Management**

Oversight of the Aggregation Program will be the responsibility of the **City Manager**. The **City Manager** will have the authority to develop specifications for the Aggregation Program, and to select, hire and manage the CRES Provider. The CRES Provider and the **City Manager** will work under the direction of the **City Commission with the advice and counsel of the City Attorney**.

Due to the complexity of the electric utility industry and the uncertainties of its associated restructuring activities, the **City Manager** will contract with Volunteer Energy Services, Inc. ("VESI") to provide the necessary expertise to represent the **City's** interest in legislative and regulatory matters and/or to service as the Aggregation Program Manager. Such services may include, but are not limited to facilitating consumer enrollment and opt-out, assisting with consumers education, addressing consumer questions and concerns, providing reports on program operation, enrollment and savings negotiating CRES Provider contracts, and representing the **City** in dealings with CRES Providers, AEP, the Ohio Legislature, the PUCO and the OCC.

### **Selection of a CRES Provider**

The **City** will not buy and resell power to Aggregation Program participants. VESI will negotiate with potential CRES

Providers on behalf of the **City** to provide affordable, reliable electric supplies and other electric related service on behalf of local consumers.

Through a negotiation process, the **City** will develop a contract with a CRES Provider or Providers for firm, all requirements service. The **City** will contract only with a CRES Provider or Providers that meet at a minimum the following criteria:

1. Certified CRES Provider by the PUCO
2. Registered with AEP
3. Have a service agreement under AEP's or its successor organization's Open Access Transmission Tariff
4. Successfully completed Electronic Data Interchange (EDI) computer system testing with AEP, and that CRES Provider's EDI computer system must be capable of effectively processing Aggregation Program EDI transactions in a timely manner.
5. Meet standards or creditworthiness established by the **City**, AEP and the PUCO.
6. Have a toll-free customer call center and Internet web site capable of effectively handling participants' questions, concerns and disputes in a timely manner.
7. Hold the **City** harmless from any financial obligations arising from offering electricity and/or energy-related services to Aggregation Program participants.

The CRES Provider's contract will run for a fixed term (i.e., three to five years) and contain all pricing, charges, switching fees, etc. in clear and easily understood terms.

The [Gallipolis City Commission](#) will approve and authorize, by ordinance, the contracts entered into by the [City](#) with the CRES Provider.

## **1. Introduction**

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

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

Large industrial and commercial consumers with sophisticated electric operation use their size and expertise to obtain lower electric power rates. Individual residential and small commercial consumers are typically unable to obtain significant price reduction since they lack the bargaining power, expertise and the economies of scale enjoyed by large consumers. Aggregation, the combining of multiple electric loads, provides the benefits of retail electric competition for consumers with lower electric demands.

Government aggregation, the combining of multiple electric loads by a municipality, provides the means through which [Gallipolis](#) residential consumers may obtain the economic benefits of Ohio's competitive retail electric market. The [Gallipolis](#) Aggregation Program combines the electric loads of residential customers to form a buying group ("Aggregation Group"). The [City of Gallipolis](#) will act as Purchasing Agent for the Aggregation Group. This means that [Gallipolis](#) will be a Government Aggregator, as defined by Ohio law and the rules established by the PUCO, and shall act on behalf of [American Electric Power \(AEP\)](#) customers in the [City](#) to obtain the best electric generation rate for consumers who participate in the Aggregation Group.

## **2. Process**

On [November 7, 2006](#), [Gallipolis](#) voters approved the development of a form of governmental electric aggregation known as "opt-out" aggregation. Under

the opt-out program, all American Electric Power residential and business customers in the City are automatically included as participants in the program unless they opt-out of the program by providing written notice of their intention not to participate. As required by state law, the City Commission passed an Ordinance, which authorized submitting the selection of opt-out aggregation to the City voters.

In addition to obtaining necessary City Commission approvals, the City is also required to comply with various PUCO regulations. The City will file an application with the PUCO for certification as a Government Aggregator as soon as the City Council approves the plan, on or about June 15, 2011. As required by the regulations, the City developed this Aggregation Plan of Operation and Governance ("Plan").

Through a negotiation process, the City will develop a contract with a Competitive Retail Electric Services Provider (CRES Provider) or Providers for firm full-requirements electric service. The contract will run for a fixed term (i.e., three to five years). Once the contract has been finalized, it will be submitted to the Gallipolis City Commission for approval.

The opt-out notice for the City's Program will be sent to all eligible electric customers in the City upon approval of this Plan, setting forth the rates, terms and conditions of the program, and giving 21 days to opt-out of the Program. A similar opt-out period will be offered every two years during

which time consumers can leave the Aggregation Program without paying a switching fee.

The Aggregation Program covers the power supply or generation portion only of a participant's electric bill. American Electric Power (AEP) will still deliver the electricity purchased from the City's CRES provider, to customers. Customers will receive only one bill from American Electric Power, and all metering, repairs and emergency service will continue to be provided by American Electric Power.

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

**3. In order to clarify terminology, the following terms shall have the meaning set forth below:**

**"Aggregation Program"**

Means the program developed by the City of Gallipolis, as a Governmental Aggregator under Section 4928 Ohio Revised Code, to provide American Electric Power customers in the City with retail electric generation services.

**"Community Reinvestment Program"** Is a program where VESI contributes funds to a participating community for a specific purpose. The purpose of these funds are designated and outlined in the contract between VESI and the community.

**"Government Aggregator"**

Means the City and its legislative authority acting as an aggregator for the provision of a competitive retail electric service under the authority conferred under Section 4928 of the Ohio Revised Code.

**“Member”**

Means a person enrolled in the Gallipolis government aggregation group for competitive retail electric services.

**“Retail Electric Generation Provider” (“Provider”)** Means an entity certified by the Public Utilities Commission of Ohio (“PUCO”) to provide competitive retail electric service(s), and which is chosen by the City to be the entity responsible to provide the required service related to “Government Aggregation” as defined in Section 4928 of the Ohio Revised Code and applicable provisions of the rules of the PUCO.

**“Competitive Retail Electric Service” (“CRES”)** Means a component of electric retail service that is deemed competitive pursuant to the Ohio Revised Code or pursuant to an order of the PUCO.

#### **4. Community Reinvestment Program**

A.1 VESI recognizes the difficult job facing elected and appointed officials in running and maintaining our local communities, therefore as part of VESI’s Community Reinvestment Program, VESI will contribute \$5,000.00 per year for the electric supplied through the aggregation

program to the City of Gallipolis.

A.2 These funds are to be deposited into a special account established by the City of Gallipolis. It is agreed by the City of Gallipolis and VESI that these funds will be used as the City’s matching grant funds for programs such as CDBG (Community Development Block Grants), Issue II, Transportation Enhancement, etc., etc. or for any project which the City of Gallipolis approves by resolution or by ordinance.

A.3 In order to maintain and upgrade local services, grants have to be utilized. Most grants require some type of local match.

A.4 It shall be the local government’s decision on which grant programs these funds should be used for. It is the intent of VESI to allow as much flexibility as possible in the decision making process.

A.5 These funds can be combined from year to year.

A.6 These funds will be paid to the City of Gallipolis as long as they remain in the choice program with VESI. These funds will be paid to the City on an annual basis.

A.7 Review of this program will be done by VESI on as needed basis and cancellation of this program can occur if in the opinion of VESI the funds are not being utilized as agreed to by both VESI and the City of Gallipolis.

## 5. Operation Plan

### A. Aggregation Services

1. Provider: Gallipolis will use a contractor (“Retail Electric Generation Provider”) to perform and manage aggregation services for its members. The provider shall provide adequate, accurate, and understandable pricing terms and conditions of service, including any switching fees and the conditions under which a member may rescind a contract without penalty. The provider must provide the City, if requested, an electronic file containing the members’ usage, and charges. The provider must have a local Gallipolis phone number or a toll free number for members to call.
2. Database: The retail electric generation provider will build and maintain a database of all members. The database will include the name, address, American Electric Power account number, and retail electric generation provider’s account number of the member, and other pertinent information such as rate code, rider code (if applicable), most recent 12 months of usage and demand, and meter read cycle. This database will be updated at least quarterly. Accordingly, the retail electric generation provider will develop a process to be implemented that will be able to accommodate at a minimum members who (1) leave the program due to relocation, opting out, etc. (2) decide to enter the program; (3) relocate within the City, and (4) move into the City and desire to enter the program. This database shall also be capable of eliminating PIPP customers from the program, should that be necessary, and those who have opted out. The retail electric generation provider will use this database to perform bill audits for clerical and mathematical accuracy of members’ bills.
3. Member Education: The retail electric generation provider will develop, with the assistance of the City, an educational program that generally explains the aggregation program to members, provides updates and disclosures mandated by Ohio law and PUCO rules, and implements a process to opt-out of the program at least every three years, without paying a switching fee to the City or the provider. See Appendix A for a detailed description of the education process.
4. Billing: Gallipolis will use the retail electric generation provider, or it’s designated agent, to provide billing services to each member for the competitive retail electric services, with no additional administrative fee. At this time, American Electric Power will render the billing



statement, which should be consistent with all applicable guidelines issued by the PUCO. As this market develops, Gallipolis may, at its option and in consultation with the Provider, change this function to the retail electric generation provider or a billing agency.

5. Compliance Process: The retail electric generation provider will develop internal controls and processes to ensure that the City remains in good standing as a government aggregator that complies with all laws, rules and regulations surrounding the same, as they may be amended from time to time. It will be the retail electric generation provider's responsibility to deliver periodic reports that will include at a minimum (a) the number of members participating in the program; and (b) a savings estimate or increase from the previous year's baseline. The retail electric generation provider will also develop a process to monitor and provide notification of any changes in laws, rules or regulations.

6. Notification to American Electric Power: The City's AEP consumers that do not opt-out of the City's aggregation group will be enrolled automatically in the aggregation program. Participants in the City's aggregation group will not be asked to take other affirmative

steps in order to be included in the group. To the extent that American Electric Power (AEP) requires notification to American Electric Power. The provider will inform American Electric Power of any individuals who may have been permitted to join the aggregation group after the expiration of the enrollment period.

#### B. Power Supply Agreement

The power supply agreement will provide for the provider to service the City's government aggregation group. Under the agreement, the terms for power supply to members will be for three years from the beginning of service.

#### C. Gallipolis's Certified Retail Electric Service (CRES).

CRES shall satisfy each of the following requirements:

- Has sufficient sources of power to provide retail firm power to the residents of Gallipolis
- Is a licensed Federal Power Marketer with the Federal Energy Regulatory Commission
- Is certified as a CRES by the PUCO.
- Is registered as a generation supplier with American Electric Power.
- Has a service agreement for network integration transmission

- service under (CERS) Open Access Transmission Tariff.
- Has a service agreement under (CERS) Market-based rate tariff.
- Has the corporate structure to sell retail firm power to the American Electric Power customers in the City.
- Its electric data interchange computer network is fully functional and capable of handling the American Electric Power retail electric customers in Gallipolis.
- Has the marketing ability to reach all American Electric Power (AEP) retail electric customers to educate them on the City's aggregation program.
- Has a call center capable of handling the City's aggregation group customer calls.
- Has a toll-free number as required by the PUCO for customer service and complaints related to the City's aggregation program.
- Will hold the City financially harmless from any financial obligations arising from supplying power to the American Electric Power retail electric customers in the City.
- Satisfies the State of Ohio's and the City's credit requirements.
- Will execute the power supply agreement.
- Will assist the City in filing the annual reports required by the PUCO and Section 4805.10(A), Section 4911.18(A) and Section 4928.06(F) of the Ohio Revised Code.

- Will assist the City in developing a Consumer Education Plan.

#### A. Activation of Service

After a notice is sent out to all electric customers in the City providing 21 days to opt-out of the program, all customers who do not opt-out will be automatically enrolled in the program. Generation service activation will occur thereafter without consumer action beginning on the customer's normal meter read date within the month when power deliveries begin under the aggregation program.

#### B. Changes, Extension or Renewal of Service

The current agreement for power supply service with the approved CRES will provide service for three years beginning upon activation of service. If the agreement is extended or renewed, members will be notified as required by law and the rules of the PUCO as to any changes in rates or service conditions. At least every three years all American Electric Power (AEP) customers in the City will be given an opportunity to opt into or out of the program, and reasonable notice will be provided as required by law and PUCO rules. Participants will also be notified of their right to select an alternate generation supplier and of their ability to return to American Electric Power's (AEP) standard service offer.

#### C. Termination of Service

In the event that the power supply agreement is terminated prior to the end

of the term, each individual member of the aggregation group will receive written notification of the termination of the program at least sixty (60) days prior to termination of service. If the agreement is not extended or renewed, members will be notified as required by law and the CRES rules of the PUCO in advance of the end of service. Member will also be notified of their rights to select an alternate generation supplier and of their ability to return to [American Electric Power's \(AEP\)](#) standard service offer upon termination.

#### D. Opt-In Procedures

[American Electric Power \(AEP\)](#) customers will be automatically enrolled in the program after a 21-day opt-out period, unless they return the form to be provided, notifying the provider that they do not want to participate.

[American Electric Power \(AEP\)](#) consumers in the [City](#) may request to join the aggregation group after the expiration of the enrollment period by contacting the provider, who shall determine whether to accept them into the program, and at what rate, subject to written policies mutually agreed upon by the [City](#) and the provider. The agreed upon policy shall be consistent with [American Electric Power's \(AEP\)](#) service activation requirements. Aggregation group participants who move from one location to another within the corporate limits of the [City](#) shall retain their participant status.

#### E. Opt-Out Procedures

[American Electric Power \(AEP\)](#) consumers may opt-out of the [City's](#) aggregation group at any time during the opt-out period without additional fees charged by the provider or the [City](#). Switching to a different generation supplier on the next meter read date, however, will occur when the next meter read is twelve (12) business days or more from the date of the consumer's notice of intent to opt-out of the aggregation group. Notification of intent to opt-out of the aggregation group may be made by contacting the provider by telephone or in writing. Consumers who opt-out of the aggregation group will default to [American Electric Power \(AEP\)](#) standard service offer, until the consumer selects an alternate generation supplier.

#### F. Universal Service and Low Income Customer Assistance

The Ohio Department of Development (ODOD), under the electric restructuring law, will provide one-stop shopping for low-income assistance programs. There are five low-income assistance programs: 1) Percentage of Income Payment Plan (PIPP); 2) The Home Energy Assistance Program; 3) The Home Weatherization Assistance Program; 4) The Ohio Energy Credit Program; 5) The Targeted Energy Efficiency and Weatherization Program. Ohio law allows the Director of the Ohio Department of Development to aggregate consumers that participate in PIPP and to competitively auction the generation supply for PIPP customers. Accordingly, PIPP customers may be

included in the State's PIPP customer aggregation.

#### G. Miscellaneous Governance Guidelines

1. City Commission shall approve through Resolution or Ordinance the Plan of Operation and Governance for the aggregation program and any amendments thereto.
2. The City shall contract with only retail electric generation providers certified by the Public Utilities Commission of Ohio for the provision of competitive retail electric service to the aggregation program members.
3. The City will require any provider to disclose any subcontractors that it uses in fulfillment of the service described above.
4. The City requires the provider to maintain either a toll free telephone number, of a telephone number that is local to City residents who are members.

#### H. Liability

The City shall not be liable to participants in the aggregation group for any claims, however styled, arising out of the aggregation program or the provision of aggregation services by the City or the provider. Participants in the aggregation group shall assert any such claims solely against the provider pursuant to the power supply agreement, under which such participants are express third-party beneficiaries.

I. Information and complaint numbers  
Copies of this plan are available from the City of Gallipolis free of charge. Call ???-???-### for a copy or for more information.

Any electric customer, including any participant in the City's aggregation program, may contact the Public Utilities Commission of Ohio (PUCO) for information, or to make a complaint against the program, the provider or American Electric Power (AEP). The PUCO may be reached toll free at 1-800-686-7826.

## Appendix A – Education Process

The provider will develop the educational program in conjunction with the City. Its purpose will be to explain the aggregation program to its members, provide updates and disclosures as mandated by State law and the rules of the PUCO, and provide the opportunity for the members to opt-out of the program. The following are the program components:

1. Each residence within the limits of the City will receive via U.S. Mail notification of: what government aggregation means, their membership in the government aggregation program, the procedure which must be followed in order to opt-out of the program, the price that they can expect to receive as a member of the program, and the deadline for returning the opt-out form. See the attached letter.
2. The provider will work with the City to provide opportunities for educating residents in the City about the program and consumer rights under the law, PUCO rules and this program. In addition, the provider and City will work to provide education about and other opportunities for energy efficiency measures to help consumers reduce energy consumption.
3. The provider will provide updates and disclosures as mandated by State law and rules of the PUCO.
4. The opt-out opportunity will be provided to the members of the program at least every three years. Should conditions, suppliers, price, or any other component of the program change within the three-year period, participants will be given a notice of their opportunity to opt-out of, or into the program.

Exhibit B-3, Automatic Aggregation Disclosure Notification

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Exhibit B-4, Opt-Out Notice

# City of Gallipolis

518 Second Avenue, Gallipolis, Ohio 45631-1219

Phone (740) 446-1789

Fax (740) 441-2070

E-mail [citymanager@gallianet.net](mailto:citymanager@gallianet.net)

Web site: [www.gallianet.net](http://www.gallianet.net)

## **The City of Gallipolis Electric Government Aggregation Program With Volunteer Energy Services, Inc.**

**June 9, 2010**

Dear City of Gallipolis Resident,

The City of Gallipolis (City) is providing you with the opportunity to join with other residents to save money on the electric you use. Savings are possible through a concept called government aggregation; where City officials bring together citizens to gain group-buying power for the purchase of electric from a retail supplier licensed by the Public Utilities Commission of Ohio. Gallipolis voters approved this program in November 2006.

During the past few months, we have researched options for competitive electric pricing for you. We have chosen Volunteer Energy Services, Inc. (VESI), an Ohio based corporation to provide you with electric for the term of **2012 through 2015**.

***You will be automatically enrolled in the City's Electric Governmental Aggregation Program unless you choose to "opt out"*** – that is, affirmatively choose not to participate. If you wish to be excluded from the City's electric aggregation program, you must return the enclosed "Opt-Out" form by June 30, 2012. Otherwise, you will be included in the aggregation program. If you do not opt out at this time, you will receive a notice at least once every two years asking if you wish to remain in the program. However, you do not need to do anything to participate. There is no cost for enrollment and you will not be charged a switching fee.

After you become a participant in the City's electric aggregation program, AEP will send a letter confirming your selection of VESI as your electric provider. As required by law, this letter will inform you of your option to cancel your enrollment with VESI within seven business days of its postmark date. To remain in the City's government aggregation program, you don't need to take any action when this letter arrives. You will be automatically enrolled.

American Electric Power will always be responsible for ensuring the distribution of electricity to your premises and will continue to maintain your meter, the monthly reads and the pipelines that deliver electricity to your home. Your electric bill will also continue to come from American Electric Power. The only change you'll notice is savings and the name of your new electric supplier, VESI, included on your bill.

If you have any questions, please call VESI toll-free at 1-800-977-8374, extension 1, Monday through Thursday, 8:30 a.m. to 4:00 p.m.

Regards,

Randy Finney  
Gallipolis City Manager

City Commission

President James A. Cozza

Vice-President Carol K. Snowden

Dow W. Saunders

Samuel C. Davis

Jon M. Lynch

Annette M. Landers, City Auditor

Brent A. Saunders, City Solicitor

These **ENERGY SUPPLY TERMS AND CONDITIONS** have important information you need to know before you commit to electric service from Volunteer Energy Services, Inc. ("VESI"). VESI is an Ohio corporation whose customers include a variety of Ohio electric end users. VESI's purpose is to provide customers the lowest cost alternative for reliable supplies of electricity. This is accomplished by purchasing wholesale energy supplies and services and then dispersing those supplies to VESI's customers. As a supply customer of VESI, you agree to the Terms and Conditions of VESI's electric supply contract.

**Service Arrangements:** VESI's energy supplies will be delivered to your residence or facilities via the utility's distribution system on a cost per kWh basis. The price will vary from month to month and will be based upon the lowest market price VESI can obtain for electric for the month. The price may be based on an approved index or the NYMEX plus an adder for transportation, fuel shrinkage and markup.

**Term:** The term of this Agreement shall commence when accepted by VESI and shall continue until **June 30, 2012**. Natural gas service will begin within 60 days of acceptance by Columbia Gas. You may terminate this Agreement with VESI by providing a 30-day notice in writing to VESI or by telephone. Columbia Gas will continue to deliver VESI-supplied natural gas to your home at the agreed upon rate

**Office Locations and Hours:** VESI's offices are located at 790 Windmill Drive, Pickerington, Ohio 43147 and are open from 8:00 A.M. to 5:00 P.M. E.S.T., Monday through Thursday. VESI can be reached by telephone at (614) 856-3128 or toll free at 800-977-8374. Telephone service hours are from 8:00 A.M. to 4:30 P.M. E.S.T., Monday through Thursday. E-mail address is [fholmes@volunteerenergy.com](mailto:fholmes@volunteerenergy.com)

**Bill Payment Process:** Columbia Gas of Ohio will continue to bill you monthly for their delivery services and also for VESI's natural gas supplies. Should you fail to pay the bill or fail to meet any agreed upon payment arrangement, Columbia Gas may terminate your service in accordance with its company tariffs, and this agreement with VESI may be automatically terminated. If VESI is providing billing services, VESI may terminate this agreement with fourteen (14) days' notice for failure to pay the bill or failure to meet any agreed upon payment arrangements.

**Complaint Dispute Resolution:** If you have any complaints regarding your natural gas service or your monthly bill, please contact us at 800-977-8374. If your complaint is not resolved after you have called VESI, or for general utility information, residential and business customers may contact the Public Utilities Commission of Ohio (PUCO), toll free at 1-800-686-7826 or, for TTY toll free at 1-800-686-1570, from 8:00 a.m. to 5:00 p.m. weekdays or visit [www.puco.ohio.gov](http://www.puco.ohio.gov). Residential customers may also contact the Ohio Consumers' Council (OCC) for assistance with complaints and utility issues toll free at 1-877-742-5622 from 8:30 a.m. to 4:00 p.m. weekdays or visit [www.pickocc.org](http://www.pickocc.org).

**Amendment to Agreement:** VESI may amend VESI's Supply Agreement from time to time upon approval. Any amendments made would not take effect for a minimum of thirty (30) days and you will receive thirty (30) days written notice. Notice of any such change is

public information and may be announced by any one of or variation of the following methods: local newspaper press release, local radio station announcement, written communications to participants or update on City's website.

**Emergency Service Problems:** If you become aware of a gas emergency condition, or experience an unanticipated loss of gas service, you should contact the utility at the number listed on your gas bill.

**Credit:** If VESI is performing billing services, other than for operation, maintenance, assignment and transfer of your account or, for commercial collection, VESI will not disclose your account number without your affirmative written or electronic authorization or pursuant to a court or commission order. Additionally, if billing, other than for the purposes of credit checking and credit reporting, VESI will not disclose your social security number without your affirmative written consent or pursuant to a court order.

**Termination/Rescission of Agreement:** You may rescind your natural gas supply enrollment with Columbia Gas of Ohio within seven (7) days of the post mark date of the confirmation notice from Columbia Gas. After the initial seven (7) day period, either you or VESI may terminate the contract at any time by providing the non-terminating party thirty (30) days written notice of such termination, without penalty. You will remain responsible for all natural gas consumed by you prior to the actual cessation of services. If your supply contract with VESI is terminated, your natural gas supply will automatically be provided by the utility under its standard tariff unless or until you choose another supplier. If you voluntarily terminate participation in the City's natural gas governmental aggregation program, you may be charged a price other than the Columbia Gas regulated sales service rate. **There will be no early termination fees associated with the City's rate.** This agreement will automatically terminate upon the occurrence of any of the following: (1) the requested service location is not served by Columbia Gas; (2) you move outside the Columbia Gas service area or to an area not served by VESI; or (3) VESI terminates your supply agreement and returns you to the incumbent natural gas company. You have the right to terminate this agreement, without penalty, if you relocate.

**Program Compliance:** The utility's deregulation program is subject to the ongoing jurisdiction of the PUCO. If the PUCO cancels the program, this contract is rendered void with no penalty to either party. The laws of the State of Ohio will govern this agreement.

VESI's guaranteed savings excludes utility charges and taxes. Service is subject to enrollment processing timelines as determined by your local utility and VESI's aforementioned Terms and Conditions of Service. To be eligible to participate in the aggregation, you must: (1) have a residence or business located in the City of Gallipolis; (2) be eligible to receive natural gas from Columbia Gas of Ohio; (3) meet Ohio non-mercantile requirements; (4) be current with your natural gas payments or payment arrangements; (5) not be enrolled in the PIPP program; and (6) currently not taking supply service from another natural gas marketer. If you believe you received this letter in error as you are not located in the City of Gallipolis, please contact VESI to remove your account from our aggregation list.

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

#### OPT-OUT FORM CITY OF GALLIPOLIS RESIDENTIAL MUNICIPAL AGGREGATION PROGRAM

I wish to opt out of the City of Gallipolis Municipal Aggregation Program

(Check box to Opt-out)

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



Phone Number: \_\_\_\_\_ Account Number: \_\_\_\_\_

Printed Name: \_\_\_\_\_ Date: \_\_\_\_\_

Account holder's signature: \_\_\_\_\_

**Mail by July 6, 2010 to: City of Gallipolis Municipal Aggregation Program, 790 Windmill Drive, Pickerington, Ohio 4314**

## Exhibit B-5, Experience

## Exhibit B-5

It is our pleasure to provide information on Volunteer Energy Services, Inc. (VESI), which will be assisting the City of Gallipolis in its Governmental Aggregator Program, to the Public Utilities Commission of Ohio (PUCO). VESI, an Ohio corporation was incorporated on March 2, 2001. VESI is a full-service marketer, serving natural gas customers in Ohio, 2002 in PUCO Case No. 02-1786-GA-CRS. As a certified retail natural gas supplier, VESI currently provides gas service to Choice and mercantile customers throughout the Columbia Gas of Ohio and Dominion East Ohio Gas service territory. With the background and expertise of VESI's president, Richard Curnutte Sr., VESI plans to offer savings to its gas customers by acting as a broker for gas service. As a broker, VESI may aggregate its customers to maximize potential savings in gas costs. Mr. Curnutte's background working with the Williams Management for Wendy's provide him with the requisite skills and experience to lead VESI in this expanded customer offering. VESI also provides energy services to its customers through an internet telemetry system that allows VESI to provide metering, submetering and rebilling services to its customers. Through its patented process known as Visual Energy Window, (VEW), VESI can provide its customers with in-depth power quality analysis.

VESI's natural gas supply services program provides a comprehensive package that contains supply and delivery security at competitive rates, complete administrative support and responsibility, and creative supply flexibility. VESI provides natural gas supplies and energy services to commercial and industrial customers, energy cooperatives, buyer's clubs, municipal aggregations, and trade associations throughout the Ohio market area.

VESI's President, Richard A. Curnutte Sr. participated in the re-formation of Volunteer Energy Services, Inc. in March of 2001 and began serving wholesale customers in May of 2001.

Mr. Curnutte previously joined Volunteer Energy Corporation as Vice President, Sales/Marketing in 1995. Mr. Curnutte participated in the formation of the original Volunteer Energy Services, Inc. with the Williams Companies and was named President in 1996. Volunteer Energy Corporation and Volunteer Energy Services, Inc. was sold to First Energy Solutions in November of 1998.

Before joining VESI, Mr. Curnutte was Principal and Vice President of Sales and Marketing for Broad Street Oil and Gas (BSO&G). BSO&G was later sold to Utilicorp/Aquilla Energy. Mr. Curnutte has also held management positions with Unicorp Energy and Yankee Gas Resources/Access Energy.

Prior to entering the natural gas business Mr. Curnutte was Director of Energy Management for Wendy's International. As Corporate Energy Manager, Mr. Curnutte was responsible for energy management for 1200 corporate restaurants throughout the United States. While at Wendy's, Mr. Curnutte transacted the nation's first commercial third party natural gas purchase by buying natural gas for 66 Wendy's and Sister's Chicken & Biscuits restaurants on the Columbia Gas of Ohio system. He also was responsible for the management of their gas usage in 300 stores. In this capacity Mr. Curnutte worked extensively with utility rates and tariffs to analyze the best opportunities available.

Before Wendy's, Mr. Curnutte was Energy Coordinator for Mid-Ohio Regional Planning Commission (MORPC). Mr. Curnutte was responsible for administration of the Department of Energy/Ohio Department of Development weatherization programs.

Mr. Curnutte has over 20 years of experience in the natural gas and energy service industry dealing in the sales of natural gas to commercial and industrial customers. All of VESI employees and officers were previously with Volunteer Energy Corporation and have a combined 95 years of natural gas experience. Most of this experience was and is dedicated to providing energy services to Ohio based customers.

Mr. Runck is CFO of Volunteer Energy Services, Inc. (VESI), and Senior Tax Consultants of VE Tax Consultants (Subsidiary of VESI). He is also one of the Board of Directors and attends monthly board meeting, planning, and pricing meetings. His current responsibilities include directing and coordinating company financial planning and budget management functions. He also administers all financing and service payments with external agencies. He manages the preparation of financial outlooks and financial forecasts while preparing financial analysis for contract negotiations and product investment decisions. He also ensures compliance with all local, state, and federal budgetary reporting requirements. He supervises an accounting staff of three to operate the accounting functions of the Corporation.

Marc attended The Ohio State University receiving his B.S. Degree in Accounting. Marc has also passed the CPA exam in the State of Ohio and is currently an active CPA in Ohio. Before beginning his career with VESI he was with The State of Ohio, Department of Taxation for 30 years as an Auditor and Audit Manager. During this time he traveled all over the country reviewing the largest corporation's records for State and Local Tax purposes.

Rick Curnutte Jr. ("Rick") began working with Volunteer Energy Services, Inc. (VESI) in May of 2001. Prior to his current position with VESI, Rick worked as a natural gas sales representative for The Energy Cooperative of Ohio (ECO) and The Energy Cooperative (TEC). Currently as a Director, Secretary, and Director of Sales, Rick manages and oversees commercial energy sales from both internal sales representatives and third-party

sales channels (agents, aggregation groups, telemarketers, et al). He has also overseen the creation and implementation of a brand new CRM sales and management software solution, which will allow VESI to better track, service and sell our product to new and existing end-users.

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

**Commission of Ohio Docketing Information System on**

**1/2/2014 12:17:00 PM**

**in**

**Case No(s). 12-0338-EL-GAG**

Summary: Application Renewal for Governmental Electrical Aggregators electronically filed by Mr. John L Einstein IV, Esq. on behalf of The City of Gallipolis