



PUCO USE ONLY – Version 1.07		
Date Received	Renewal Certification Number	ORIGINAL GAG Case Number
		09 - 0388 - GA-GAG

## RENEWAL CERTIFICATION APPLICATION OHIO NATURAL GAS GOVERNMENTAL AGGREGATORS

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

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

### SECTION A - APPLICANT INFORMATION

#### A-1 Renewal Applicant information:

Legal Name      The City of Reading  
Address          1000 Market Street, Reading, OH 44408  
  
Telephone No.    (513) 733-3725      Web site address  
  
Current PUCO Certificate Number    09-148G (3)      Effective Dates    6/8/2013 - 6/8/2015

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

Name    Julia Hall      Title    Ohio Aggregation Program Manager  
  
Business Address    355 E. Campus View Blvd. Suite 150 Columbus, OH 43235  
  
Telephone No.    614-844-4309      Fax No.    614-844-4305      Email Address    julia.hall@constellation.com

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

Name    Julia Hall      Title    Ohio Aggregation Program Manager  
  
Business address    355 E. Campus View Blvd. Suite 150 Columbus, OH 43235  
  
Telephone No.    614-844-4309      Fax No.    614-844-4305      Email Address    julia.hall@constellation.com

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

Customer service address    355 E. Campus View Blvd. Suite 150 Columbus, OH 43235  
  
Toll-Free Telephone No.    (866) 997-9447      Fax No.    614-844-4305      Email Address    julia.hall@constellation.com



# The Public Utilities Commission of Ohio

Ohio Natural Gas Governmental Aggregation  
Affidavit Form  
(Version 1.07)

In the Matter of the Application of )

The City of Reading )

for a Certificate or Renewal Certificate to Provide )  
Natural Gas Governmental Aggregation Service in )  
Ohio.

Case No. 09-0388 -GA-GAG

County of Hamilton  
State of Ohio

*Patrice Ross*

[Affiant], being duly sworn/affirmed, hereby states that:

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

Affiant Signature & Title

*Pat Ross*

*Safety Service Director*

Sworn and subscribed before me this

*8th*

day of

*April*

Month

*2015*

Year

Signature of Official Administering Oath

*Nancy A. Stall*

Print Name and Title

*NANCY A STALL / NOTARY PUBLIC*

My commission expires on

*NANCY A. STALL*

Notary Public, State of Ohio

My Commission Expires 07-22-2018

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



## SECTION B - APPLICANT AUTHORITY AND AGGREGATION PROGRAM INFORMATION

PROVIDE THE FOLLOWING AS SEPARATE ATTACHMENTS AND LABEL AS INDICATED

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

Applicant Signature and Title

*Patricia Ray* Safety Service Director

Sworn and subscribed before me this

*8<sup>th</sup>*

day of

*April*

Month

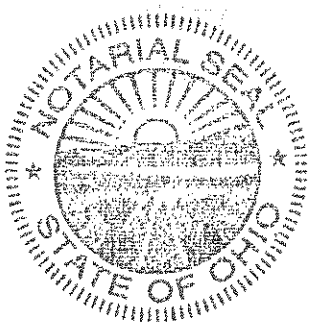
*2015* Year

*Nancy A. Stall*  
Signature of official administering oath

*NANCY A STALL / NOTARY PUBLIC*  
Print Name and Title

My commission expires on

NANCY A. STALL  
Notary Public, State of Ohio  
My Commission Expires 07-22-2018



CITY OF READING, OHIO

EXHIBIT B-1

Authorization Ordinance - 3 pages

Election Results - 1 page

CITY OF READING  
STATE OF OHIO

2008-  
ORDINANCE NO. 801

TO AUTHORIZE ALL ACTIONS NECESSARY TO CREATE A GOVERNMENTAL NATURAL GAS AGGREGATION PROGRAM WITH OPT-OUT PROVISIONS PURSUANT TO SECTION 4929.26 OF THE OHIO REVISED CODE; TO DIRECT THE HAMILTON COUNTY BOARD OF ELECTIONS TO SUBMIT A BALLOT QUESTION TO THE ELECTORS; AND TO DECLARE AN EMERGENCY.

**WHEREAS**, the Council of the City of Reading, Hamilton County, Ohio, met in a special session on the 20th day of August, 2008, at Reading City Hall with the following members present:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**WHEREAS**, the Ohio Legislature has enacted natural gas deregulation legislation, which authorizes the legislative authorities of municipal corporations, townships, and counties to aggregate automatically, pursuant to Section 4929.26 of the Ohio Revised Code, subject to opt-out provisions, competitive retail natural gas service for the retail natural gas loads located in the respective jurisdictions and to enter into service agreements to facilitate the sale and purchase of the service for the natural gas loads; and

**WHEREAS**, such legislative authorities may exercise such authority individually or jointly with any other legislative authorities; and

**WHEREAS**, governmental aggregation provides an opportunity for residential and small business customers collectively to participate in the potential benefits of natural gas deregulation through lower natural gas rates which they would not otherwise be able to have individually; and

**WHEREAS**, this Council seeks to establish a governmental aggregation program with opt out provisions pursuant to Section 4929.26 of {h& Ohio Revised Code (the "Aggregation Program"), for the residents, businesses, and other natural gas customers in the City of Reading and in conjunction with any other municipal corporation, township, county, or other political subdivision of the State of Ohio, as permitted by law; and

**WHEREAS**, this Council desires to proceed with the submission of the question to the electors of the City of Reading;

**NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF READING, STATE OF OHIO, TWO-THIRDS OF ALL MEMBERS THEREOF CONCURRING, THAT;**

Section 1. The Council finds and determines that it is in the best interest of the City of Reading, its residents, businesses, and other natural gas consumers located within the city limits of Reading, Ohio, to establish the Aggregation Program in the City of Reading. Provided that the Aggregation Program is approved by the electors of the City of Reading, pursuant to Section 2 of this ordinance, the City of Reading is hereby authorized to aggregate automatically in accordance with Section 4929.26 of the Ohio Revised Code, and subject to the opt-out requirements of division (D) of Section 4929.26, competitive retail natural gas service for the retail natural gas loads located within the City of Reading, and, for that purpose, to enter into service agreements to facilitate the sale and purchase of the service for the retail natural gas loads. Reading may exercise such authority jointly with any other municipal corporation, township, or county of the State of Ohio to the full extent permitted by law. The aggregation will occur automatically for each person owning, occupying, controlling, or using a natural gas load center proposed to be aggregated and will provide for the opt-out rights described in Section 3 of this ordinance.

Section 2. The Board of Elections of Hamilton County, Ohio, is hereby directed to submit the following question to the electors of the City of Reading at the next general election on November 4, 2008. The Aggregation Program shall not take effect unless approved by the majority of the electors voting upon this issue at the election held pursuant to this ordinance and Section 4929.26 of the Ohio Revised Code.

The form of the ballot to be used in the November 4, 2008, general election shall be substantially as follows:

**PROPOSED AGGREGATION PROGRAM  
CITY OF READING**

A majority affirmative vote is necessary for passage.

Shall the City of Reading, Ohio, have the authority to aggregate automatically in accordance with Section 4929.26 of the Ohio Revised Code, and subject to the opt-out requirements of Division (D) of Section 4929.26, competitive retail natural gas service for the retail natural gas loads located within the City of Reading, and, for that purpose, enter into service agreements to facilitate the sale and purchase of the service for the retail natural gas loads, such aggregation to occur automatically except where any person elects to opt-out?

**FOR THE AGGREGATION PROPOSAL**

**AGAINST THE AGGREGATION PROPOSAL**

Section 3. Upon the approval of a majority of the electors voting at the general election provided for in Section 2 of this ordinance, the Council, individually or jointly with any other political subdivisions, shall develop a plan of operation and governance for the Aggregation Program. Before adopting such a plan, this Council shall hold at least two public hearings on the plan. Before the first hearing, notice of the hearings shall be published once a week for two consecutive weeks in a newspaper of general circulation in the City of Reading. The notice shall summarize the plan and state the date, time, and location of each hearing. No plan adopted by this Council shall aggregate any retail natural gas load located within the City unless it in advance clearly discloses to the person whose retail natural gas load is to be so aggregated that the person will be enrolled automatically in the aggregation and will remain so enrolled unless the person affirmatively elects by a stated procedure not to be so enrolled. The disclosure shall state prominently the rates, charges, and other terms and conditions of enrollment. The stated procedure shall allow any person enrolled in the aggregation the opportunity to opt out of the aggregation every two years, without paying a switching fee. Any such person who opts out of the aggregation pursuant to the stated procedure shall default to the natural gas company providing distribution service for the person's retail natural gas load, until the person chooses an alternative supplier.

Section 4. Upon passage of this ordinance, the Clerk of Council shall immediately certify a copy of it to the Hamilton County Board of Elections.

Section 5. All formal actions of the Council of the City of Reading, Ohio, relating to the adoption of this ordinance were taken in an open meeting, in accordance with Section 121.22 of the Ohio Revised Code.

Section 6. This ordinance is hereby declared to be an emergency measure for the health, safety, and welfare of the citizens of Reading and shall take effect immediately. The emergency is necessary in order to meet the 4:00 filing deadline with the Board of Elections on August 21, 2008.

\_\_\_\_\_  
President of Council

August 20, 2008  
Date passed

Form No. 127 Prescribed by Secretary of State. Rev. 9-62

Darton Legal Blank, Inc., Form No. 01181

**CERTIFICATE OF RESULT OF ELECTION ON QUESTION OR ISSUE**

Revised Code, Section 3501.11

State of Ohio

County of HamiltonThe Board of Elections of Hamilton County herebycertifies that at the election held in City of Reading

(Subdivision)

in said county on November 4th, 2008 the

(Date of election)

vote cast on the following issue was as follows:

Issue Shall the City of Reading, have the authority to aggregate the retail natural gas loads located in the City of Reading, and enter into service agreements to facilitate for those the sale and purchase of natural gas,

(Tax levy, bond issue, local option, etc. — describe fully)

such aggregation to occur automatically except where any person elects

to opt out?

Votes thirty two hundred seventy five

(For, yes, etc.—as on ballot)

3,275

(Number)

Votes fourteen hundred sixteen

(No, against, etc.—as on ballot)

1,416

(Number)

Total votes cast on issue: forty six hundred ninety one4,691

(Number)

Witness our official signatures at Cincinnati Ohio insaid county, this 25th day of November 2008

(Year)

Chairman

Charles H. Brunkhardt III

V. Daniel Radford

Attest:

Clerk

BOARD OF ELECTIONS

Hamilton

County, Ohio



CITY OF READING, OHIO

EXHIBIT B-2

Operation & Governance Plan - 19 pages

Resolution to Adopt Plan of Operations - 1 page

## CITY OF READING, OHIO

### NATURAL GAS AGGREGATION PROGRAM

#### PLAN OF OPERATION AND GOVERNANCE

For Additional Information Contact:

Mr. Robert Bochner  
Safety Service Director  
City of Reading, Ohio  
1000 Market Street  
Reading, OH 44408  
513-733-3725

(Resolution \_\_\_\_\_ Adopted \_\_\_\_\_)

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## INTRODUCTION

The City of Reading, Ohio has developed this Natural Gas Aggregation Program Plan of Operation and Governance ("Plan of Operation") in accordance with the governmental aggregation provisions of Amended House Bill 9 as provided in Sections 4901 and 4929.26 of the Ohio Revised Code and the Rules for Formation and Operation of Natural Gas Governmental Aggregations. The Amended Bill authorized governmental aggregation, the combining of multiple retail natural gas loads within and by a municipality, an unincorporated township or the unincorporated areas of the county by a board of county commissioners for the purpose of purchasing competitive retail natural gas service in Ohio's competitive retail natural gas market. The legislation also provided the Public Utilities Commission of Ohio ("PUCO") with authority to promulgate and adopt rules regarding governmental aggregation in Ohio. The City of Reading's Plan of Operation complies with the requirements of the governmental aggregation rules as issued by the PUCO. The Plan of Operation provides, in detail, the services provided under the aggregate, customer rights, terms and conditions of service, rate setting, and aggregate structure and formation.

The City of Reading's ("the City") Natural Gas Aggregation Program ("Program" or "Aggregation Program") will aggregate the retail natural gas load of residents and businesses that are eligible to participate in the Duke Energy-Ohio ("Duke") Energy Choice program for the purpose of negotiating for competitive retail natural gas supply at favorable rates. It has the potential to combine almost five thousand (5000) residential, commercial and industrial customers into a buying pool that will be attractive to third party Retail Natural Gas Suppliers ("Suppliers"). Participation in the Program is voluntary. Any individual customer ("Member") has the opportunity to decline participation.

The City will not buy or resell the natural gas for the participants of the Program. Instead, the City of Reading will serve as the purchasing agent for the Program and will negotiate a contract with a competitive Retail Natural Gas Supplier to provide firm, all-requirements service to the members of its Aggregation Program. The contract will offer Eligible Customers a retail natural gas rate option other than the local utility's rate. Customer rights and terms of service are discussed in detail in this Plan of Operation and Governance.

A majority of the City of Reading's residents approved a ballot issue in November of 2008 authorizing the City to form an aggregation whereby eligible retail natural gas customers would be automatically included in a large buying group unless, subject to prior notice, they followed a stated procedure to opt-out. Any eligible retail natural gas customer within the boundaries of The City of Reading has the ability to decline service, opt-out of the aggregate, and choose the incumbent supplier or any other alternative competitive Retail Natural Gas Supplier. The State of Ohio allows the Director of the Ohio Department of Development to aggregate retail natural gas customers that participate in the Percentage of Income Payment Plan ("PIPP") throughout Ohio. Accordingly, customers participating in the PIPP Program at the time of the Opt-out mailing will not be automatically included in The City of Reading's Natural Gas Aggregation Program.

## **I. GOVERNMENTAL AGGREGATION FORMATION PROCESS**

### **1.1 Statutory Requirements**

The City of Reading shall develop and institute an opt-out aggregation. The process of governmental aggregation is set out in Ohio Revised Code Section 4929. The section defines automatic aggregation or opt-out aggregation for retail natural gas customers. Under the opt-out aggregation provisions, all eligible retail natural gas customers within the municipality or township may be automatically included in the Aggregation Program. See the Plan of Operations' Definitions Section, definition 1.8 of this Plan of Operation and Governance for description of Eligible Customers according to Rule 4901:1-28-01 of the PUCO Natural Gas Governmental Aggregation Rules.

Opt-out aggregation may only occur after the majority of voters within a municipality, an unincorporated township, or other unincorporated areas of the county authorize the formation of the governmental aggregation. The governmental entity must adopt an ordinance or a resolution placing the issue on the ballot and voters must decide the issue in a general or special election. After obtaining majority voter approval, but prior to inclusion in the aggregate, affected customers must be given notice entitling them to affirmatively elect not to be part of the Aggregation Program. These customers can opt-out during a 21-day period.

The City of Reading obtained the support of the majority of its voters and shall automatically include all eligible retail natural gas customers receiving the City's offer within the City's corporate limits in its aggregate, unless such consumers follow a prescribed procedure for opting out. The City of Reading's opt-out notice, procedure and period are discussed in Section VIII below.

### **1.2 PUCO Certification**

In addition to requiring the support of the majority of voters within a municipality, an unincorporated township, or the other unincorporated areas of the county, Section 4929.20 of the Ohio Revised Code requires PUCO certification of Governmental Aggregators. In order to obtain PUCO certification, governmental entities are required to complete and file a certification application. To maintain their certified status, governmental aggregators must comply with the PUCO's Formation and Operation of Natural Gas Governmental Aggregations Rules. The City of Reading will file for certification as a Governmental Aggregator after adoption of its Plan of Operation and Governance as required by the Ohio Revised Code and the Governmental Aggregation Rules. The City developed this Plan of Operation and Governance in compliance with the PUCO's rules regarding governmental aggregation. With the assistance of its Retail Natural Gas Supplier the City of Reading shall comply with the PUCO's governmental aggregation rules.

## **II. RETAIL NATURAL GAS SUPPLIER**

On November 4, 2008, the residents of The City of Reading passed an issue allowing the City to aggregate retail natural gas load centers within the City with the goal of offering residents a choice in an energy supplier committed to competitive pricing that brings price certainty and stability and program simplicity. To this end, the City negotiated with Integrys Energy Services, the City's Retail Natural Gas Supplier. The City will not assume title to natural gas; it will not buy and

resell the natural gas to the participants of the Aggregation Program. Instead, the City intends to enter into a contract with Integrys Energy Services, Inc. for the provision of competitive retail natural gas service to the members of the Aggregation Program. Similarly, the City will not handle billing or scheduling of natural gas. Those responsibilities rest with the selected supplier and Duke Energy-Ohio.

The City of Reading shall serve as the purchasing agent for the City's Aggregation Program and has delegated to Integrys Energy Services the responsibility of implementing the City of Reading Aggregation Program. Integrys Energy Services is a certified Competitive Retail Natural Gas Supplier by the PUCO. Integrys Energy Services is registered to serve and participate on Duke Energy-Ohio's retail natural gas program; has the corporate structure to sell both wholesale and competitive retail natural gas; has demonstrated that its Electronic Data Interchange ("EDI") computer network is fully functional and capable of handling the requirements of the retail natural gas customers in The City of Reading; has the marketing ability to reach the retail natural gas customers in the City and the ability to educate them on the City's Aggregation Program; has a fully staffed and trained call center capable of handling customer calls related to the City's Program; has establish a toll-free number as required by the PUCO for customer service and complaints related to the City's Aggregation Program; and shall assist the City in fulfilling requirements imposed on the City of Reading's Aggregation Program by the PUCO.

### **III. AGGREGATION SERVICES**

Integrys Energy Services shall serve as The City of Reading's Retail Natural Gas Supplier and, with the assistance of the City, Integrys Energy Services shall perform the following functions regarding The City of Reading's Aggregation Program: assist the City in fulfilling PUCO requirements including the filing of certification application, required reports and the compliance of this Plan of Operation with PUCO rules; analyze customer information provided by Duke Energy-Ohio to identify Eligible Customers within the City's corporate limits; develop the Program's rates, terms and conditions of service and opt-out notices; distribute required notices to eligible retail natural gas consumers in The City of Reading; conduct the opt-out process; notify Duke Energy-Ohio of the participating customers in the City's aggregate; notify customers of service start dates; undertake all EDI responsibilities and interact with Duke Energy-Ohio regarding the same; provide customer service and support as discussed herein; develop consumer education materials; inform customers that move into the City after Program start-up of the Program and of their ability to opt-out; address all customer complaints as discussed herein; provide new Program rates at the end of the rate periods; notify participating and or eligible customers of the Program's new rates, terms and conditions of service and of their ability to opt-out at no charge at the end of each rate period; and otherwise implement this Plan of Operation and Governance.

### **IV. NATURAL GAS AGGREGATION SUPPLY AGREEMENT**

#### **4.1 Retail Natural Gas Services**

Upon certification, The City of Reading and Integrys Energy Services shall enter into a Natural Gas Aggregation Supply Agreement for the provision of natural gas aggregation services to the Aggregation Group. The City of Reading's Resolution No. 2022-001 authorizes the City's entering

such Agreement. The terms and conditions of the Agreement govern the implementation and administration of the City's Aggregation Program. A copy of the Agreement is attached hereto as Attachment A. A copy of Resolution No. 2017-0000 is attached hereto as Attachment B.

#### 4.2 Reliability of Natural Gas Supply

The Program will only affect the actual cost of the natural gas commodity portion of a customer's bill. Duke Energy-Ohio will continue to deliver the natural gas through their transportation and delivery systems. Responsibility for maintaining system reliability continues to rest with Duke Energy-Ohio. If Members have service, reliability, or delivery related problems they should contact Duke Energy-Ohio. The PUCO has established "Minimum Reliability Standards" for all utilities operating distribution systems in Ohio. Duke Energy-Ohio is expected to comply with those standards.

In addition to maintaining the "pipeline" delivery system, Duke Energy-Ohio is required to be the "Provider of Last Resort." This means, should Integrys Energy Services fail for any reason to deliver any or all of the natural gas needed to serve the Members' needs, Duke Energy-Ohio will immediately provide for the shortfall. Duke Energy-Ohio would then bill the supplier for the natural gas provided on their behalf. Customers will see no disruption to their natural gas service.

#### 4.3 Integrys Energy Services Consulting Services

Integrys Energy Services shall assist the City in performing the City's obligations provided herein and as otherwise required by the City to assist in the administration of the City's aggregation efforts.

Integrys Energy Services, in cooperation with the City and Duke Energy-Ohio, shall identify the eligible Duke Energy-Ohio customers in the City of Reading.

Integrys Energy Services will assist the City in submitting the PUCO Annual monitoring and report information. Integrys Energy Services will assist the City in completing and filing the PUCO required reports. Integrys Energy Services will provide the required customer enrollment information to the City, for the PUCO Reports.

### **V. RATE SETTING**

#### 5.1 Rate Determination Process

The prices to be charged to Members in the Program will be provided in the Natural Gas Aggregation Supply Agreement executed by the City and Integrys Energy Services. Pricing shall be based on the New York Mercantile Exchange ("NYMEX") forward prices. Program rates will be determined when the City agrees on the price as provided in Exhibit A of the Natural Gas Aggregation Supply Agreement (sometimes referred to as the "Agreement"). Members will be notified of the rates and terms of the Program as part of the opt-out process, through a direct mailing sent to each resident and business within the City limits that meets the eligibility criteria at the time the mailing list is created.



## 5.2 Integrys Energy Services Rate

The City and Integrys Energy Services will negotiate a rate plan option for eligible customers. The rate plan option will be as described in the customer's opt-out notice and will not exceed a twenty-four (24) month period without offering the customer an opportunity to opt-out. The below listed products are the general products to be offered to participants in the City of Reading Natural Gas Aggregation Program. The City and Integrys Energy Services may negotiate a different product type including but not limited to variable and less than yearly rates in the future depending on market conditions. Any new product offering will be detailed in a Natural Gas Supply Agreement signed by the City of Reading and in the opt-out notice mailed to residents. Residents should refer to their most recent opt-out notice terms and conditions for the rate option specific to their account.

The City and Integrys Energy Services may offer more than one of the below listed rate options to the customer during an opt-out period. Typically one option will be the automatic default and the secondary option will be a sign-up rate. If the City offers more than one rate option and a customer wishes to switch from one rate option to another rate option outside of the twenty-one (21) day Opt-Out Period, they may be subject to a \$25 exit fee.

Fixed Rate Plan: This rate option provides a fixed rate for two separate twelve (12) month periods. Each twelve (12) month fixed rate will be determined based on an adder plus New York Mercantile Exchange (NYMEX) market pricing formula. The City will fix the price of the Year One Fixed Rate with Integrys Energy Services as provided in the Natural Gas Aggregation Supply Agreement. The price of the Year One Fixed Rate will be determined prior to starting the Opt-Out Period. The Year Two Fixed Rate will be determined in the same manner prior to the end of year one. Newly eligible residents and residents currently enrolled in the Aggregation Program will be mailed a Year Two Fixed Rate Notice no later than thirty (30) days prior to the start of service on the Year Two Fixed Rate. Residents who opted out of the Year One Rate will not receive the Year Two Fixed Rate Notice. Those residents may contact Integrys Energy Services for enrollment information.

Locked-In Price with Flex Down Opportunity<sup>SM</sup> Rate Plan: This rate option provides a maximum price for two separate twelve (12) month periods with the ability of a monthly rate decrease in the event NYMEX prices decline. Each twelve (12) month maximum rate will be determined based on an adder plus New York Mercantile Exchange (NYMEX) market pricing formula. The city will lock in the maximum price of the Yearly Flex Down Rate with Integrys Energy Services as provided in the Natural Gas Aggregation Supply Agreement. The price offered under this plan may change each month but will never exceed the maximum price initially locked-in for the twelve (12) month period. Participating customers may see their rates increase or decrease with the market each month but will never exceed the maximum rate determined by the City and offered in the initial opt-out notice. The first twelve (12) month rate maximum or Year One Locked-In Price with Flex Down Opportunity<sup>SM</sup> Rate will be determined prior to starting the Opt-Out Period. The second twelve (12) month rate maximum or Year Two Locked-In Price with Flex Down Opportunity<sup>SM</sup> Rate will be determined in the same manner prior to the end of year one.

Customers who are participating in the Aggregation Program and newly eligible residents at the end of year one will be mailed a Year Two Locked-In Price with Flex Down Opportunity<sup>SM</sup> Rate

Notice no later than thirty (30) days prior to the start of service on the Year Two Locked-In Price with Flex Down Opportunity<sup>SM</sup> Rate. The Year Two Locked-In Price with Flex Down Opportunity<sup>SM</sup> Rate Review Period will be the twenty-one (21) days from the postmark of the notice in which customers may review the new rate for Year Two and switch out of the Aggregation Program without being charged the \$25 exit fee. Customers that choose not to accept the Year Two Locked-In Price with Flex Down Opportunity<sup>SM</sup> Rate must contact Integrys Energy Services on or before the 21<sup>st</sup> day as provided in the notice. Customers that contact Integrys Energy Services to switch after the 21<sup>st</sup> day may be charged a \$25 exit fee. Customers that do not notify Integrys Energy Services of their desire to switch out of the Program will automatically continue service in the City's Natural Gas Aggregation Program at the Year Two Locked-In Price with Flex Down Opportunity<sup>SM</sup> Rate. Residents who initially opted out of the Year One Locked-In Price with Flex Down Opportunity<sup>SM</sup> Rate will not be automatically included in the Year Two Locked-In Price with Flex Down Opportunity<sup>SM</sup> Rate. Those residents may contact Integrys Energy Services for enrollment information.

Changes to the Yearly Locked-In Price with Flex Down Opportunity<sup>SM</sup> Rate may not be mailed to participating customers outside of the opt-out periods. Rates will appear on the customer's bill and will be posted on the Integrys Energy Services website at [www.integrysenergy.com](http://www.integrysenergy.com) or residents may call the toll-free telephone number.

Summer Variable/Winter Fixed Rate Plan: This pricing option will be for two separate twelve (12) month pricing periods. The rate plan offers a fixed rate during the winter service months of (Oct-March) and a monthly variable rate for the summer service months of (April – Sept). The City will fix the Yearly Winter Fixed portion of this rate plan as provided in the Natural Gas Aggregation Supply Agreement. The Year One Winter Fixed rate will be determined based on an adder plus NYMEX pricing formula and will remain the same for the winter months. The Winter Fixed rate for Year Two will be determined in the same manner prior to the end of year one. The Summer Variable Rate will be determined each month based on an adder plus NYMEX pricing formula. The Summer Variable Rate will change each month on the customer's bill and may increase or decrease depending on the market.

All eligible residents will be mailed an opt-out notice prior to the start of the Year One Rate Plan. Prior to the Year Two Rate Plan only customers participating in the Aggregation Program and newly eligible residents will be mailed a Year Two Summer Variable/Winter Fixed Rate Notice. The Year Two Notice will be mailed no later than thirty (30) days prior to the start of service on the Year Two Summer Variable/Winter Fixed Rate. The Year Two Summer Variable/Winter Fixed Rate Review Period will be the twenty-one (21) days following the postmark of the notice mailed to customers in which customers may review the new rate for Year Two and switch out of the Aggregation Program without being charged the \$25 exit fee. Customers that choose not to accept the Year Two Summer Variable/Winter Fixed Rate must contact Integrys Energy Services on or before the 21<sup>st</sup> day as provided in the notice. Customers that contact Integrys Energy Services to switch after the 21<sup>st</sup> day may be charged a \$25 exit fee. Customers that do not notify Integrys Energy Services of their desire to switch out of the Program will automatically continue service in the City's Natural Gas Aggregation Program at the Year Two Summer Variable/Winter Fixed rate.

Quarterly Fixed Rate Plan: This pricing option is for either a twelve (12) or a twenty-four (24) month period. The price will change on a quarterly basis. The City will fix each Quarter's Fixed Price as provided in the Natural Gas Aggregation Supply Agreement. Each new Quarterly

Fixed Rate will be determined the last month of the prior quarter based on an adder plus NYMEX pricing formula. The First Quarterly Fixed rate will be determined prior to starting the Opt-out Period based on an adder plus NYMEX pricing formula.

Eligible customers may choose the Quarterly Fixed Rate during the 21 day Opt-Out Period. Ineligible customers or newly eligible customers after the opt-out period may request the Quarterly Fixed Rate by calling the Integrys Energy Services toll-free telephone number or by signing up through the website.

Changes to the Quarterly Fixed Rate may not be mailed to participating customers outside of the opt-out periods. Rates will appear on the customer's bill and will be posted on the Integrys Energy Services website at [www.integrysenergy.com](http://www.integrysenergy.com) or residents may call the toll-free telephone number.

Variable Rate Plan: This pricing option is for either a twelve (12) or a twenty-four (24) month period. The rate plan offers a monthly variable rate which will be determined each month based on an adder plus NYMEX pricing formula. The rate will change each month on the customer's bill and may increase or decrease depending on the market.

Eligible customers may choose the Variable Rate Plan during the 21 day Opt-Out Period. Ineligible customers or newly eligible customers after the opt-out period may request the Variable Rate Plan by calling the Integrys Energy Services toll-free telephone number or by signing up through the website.

Rates will appear on the customer's bill and will be posted on the Integrys Energy Services website at [www.integrysenergy.com](http://www.integrysenergy.com) or residents may call the toll-free telephone number.

### 5.3 Sales Tax

Customer bills will include Hamilton County sales tax. Tax exempt customers wishing to participate in the Program must provide Integrys Energy Services a current certificate of exemption prior to start of service. Integrys Energy Services will not charge sales tax starting with the date the certificate is received. Integrys Energy Services is not liable for sales tax charged prior to receipt of the exemption certificate.

### 5.4 Duke Energy-Ohio Charges

Duke Energy-Ohio will continue to bill for transportation and distribution services. All customers choosing service under a competitive retail natural gas program are charged by Duke Energy-Ohio a Balancing Adjustment, Actual Adjustment, or Reconciliation Adjustment component of the GCR ("GCR Adjustments") for the initial 12 months of their service in the Program. Customers on the Duke Energy-Ohio GCR rate at the time of enrollment in the Aggregation Program that had not been served by a Retail Natural Gas Supplier at least 60 days prior to service under the Aggregation Program will be charged by Duke Energy-Ohio a Balancing Adjustment, Actual Adjustment, or Reconciliation Adjustment component of the GCR for the initial 12 months of the Program. Customers on the Duke Energy-Ohio GCR rate that were served by a Retail Natural Gas Supplier within the 60 days prior to service under the Aggregation Program will only be charged the GCR adjustments by Duke Energy-Ohio for the remaining number of months left in their initial

twelve-month period. Customers served by another supplier that switch to the Aggregation Program and not served on the Duke Energy-Ohio GCR rate for 12 months prior to requesting service under the Aggregation Program will not be charged the GCR adjustments by Duke Energy-Ohio.

## 5.5 Switching Fees

Integryst Energy Services will be responsible for any switching fee imposed by Duke Energy-Ohio. Customers currently served by a competitive Retail Natural Gas Supplier that choose to join the Aggregation Program are responsible for any exit fees or switching fees charged by that supplier.

# VI. CREDIT AND COLLECTION POLICY

## 6.1 Billing

Customers will receive Consolidating Billing, meaning the customers will continue to receive a single, monthly bill from Duke Energy-Ohio, which will include charges from Integryst Energy Services for the retail natural gas portion of their bill. The bill will show the Integryst Energy Services' rate, multiplied by the CCF used per month, plus any applicable sales tax. Customers are billed according to their Duke Energy-Ohio bill cycle. Customers are still eligible and able to participate in budget billing.

## 6.2 Payment Terms

Customers are required to pay their entire Duke Energy-Ohio bill by the bill due date to avoid late charges and to maintain good standing in the program. Duke Energy-Ohio is authorized to disconnect a customer's gas service in accordance with its tariffs for past due charges owed to an alternate supplier. Should Integryst Energy Services initiate contract termination for non-payment, customers will receive 14 days notice prior to end of service.

## 6.3 Collection Process

Duke Energy-Ohio's credit and collection policy will apply to the Aggregation Program. For more information on the Duke Energy-Ohio collection policy customers should contact Duke Energy-Ohio customer service at 1-800-362-7557.

# VII. PROGRAM ENROLLMENT

The City of Reading's natural gas aggregation is an "opt-out" Aggregation Program. Accordingly, Eligible Customers will be automatically included in the City's Aggregation Program unless they comply with the Program's opt-out procedure discussed in Section VIII below. Eligible customers who wish to participate and remain in the City's aggregate need not take any action. Participating customers will be automatically enrolled in The City of Reading's Program. Enrollment shall commence with the start of service and shall continue for a twenty-four (24) month service period. Eligible customers who choose to opt-out will not receive another automatic enrollment opportunity until the twenty-four (24) month service period has expired. Integryst Energy

Services will notify customers when service under the Program will begin which shall coincide with the switch from their current supplier.

Customers who meet all of the following criteria will automatically become members of the Aggregation Program:

- Do not opt-out and therefore remain in the Program after the designated 21-day Opt-Out Period;
- Residents of The City of Reading whose service address is within the boundaries of The City of Reading; and
- Is an Eligible Customer and not otherwise deemed ineligible to participate in the City's Program.

Customers rejected by Duke Energy-Ohio upon enrollment will be mailed a letter from Integrys Energy Services stating the reason for their rejection within three (3) days of Integrys Energy Services receipt of the rejection file by Duke Energy-Ohio.

## **VIII. OPT-OUT PROCEDURE AND TERMS**

### **8.1 Opt-out Process**

The City will develop an Opt-out or automatic governmental aggregation pursuant to section 4929 of the Ohio Revised Code. As the Retail Natural Gas Supplier to the City's Program, Integrys Energy Services shall disclose to the person owning, occupying or using the natural gas load center that the person will be enrolled in the City's Program unless they affirmatively elect not to be enrolled. That person must opt-out by following the Aggregation Program's stated opt-out procedure. Integrys Energy Services shall draft and City shall approve the opt-out notice and docket the same with the PUCO at least ten (10) days prior to mailing it to Eligible Customers.

Using the Duke Energy-Ohio customer list, Integrys Energy Services with the assistance of the City shall on a best efforts basis identify all Eligible Customers within the City limits. Per PUCO natural gas aggregation rules, Duke Energy-Ohio will remove PIPP customers and customers that do not meet the eligibility criteria outlined in section VII above from the list of Eligible Customers prior to giving the data to the City or Integrys Energy Services.

Integrys Energy Services will implement the opt-out process on behalf of the City of Reading. Prior to commencement of service, Integrys Energy Services will utilize customer information provided by Duke Energy-Ohio to notify all eligible retail natural gas customers in the City of their right to opt-out of The City of Reading's Natural Gas Aggregation Program. Residents must be an eligible customer as of the date the customer list was created by Duke Energy-Ohio to receive an opt-out notice. Eligible customers will be mailed an opt-out notice within thirty (30) days of Integrys Energy Services' receipt of the Duke Energy-Ohio list. Eligible customers for automatic enrollment shall be residential and/or commercial customers in the City that are not otherwise designated by Duke Energy-Ohio or the PUCO as ineligible at the time the mailing list is created or are otherwise deemed ineligible to participate in the City's Aggregation Program. Eligible Customers will receive by mail a notice disclosing: the Program's rates; terms and conditions of

service; and general information related to the Program. The notice shall clearly provide instructions on how to opt-out of the program, which shall be by returning a postcard to Integrys Energy Services or calling a designated number at Integrys Energy Services. The Opt-Out Period shall be a twenty-one (21) day period. Eligible Consumers shall have twenty-one (21) days from the date of the postmark on the notice to indicate their intent to opt-out. Eligible Customers that do not follow the prescribed opt-out procedure shall be automatically enrolled in the program. The customer should immediately notify Integrys Energy Services if they are inadvertently switched and are not an eligible Duke Energy-Ohio customer in the City of Reading. Integrys Energy Services shall notify Duke Energy-Ohio of The City of Reading's Eligible Customers to be switched to service under the Program.

## 8.2 No Fee Opt-out Privileges

The City of Reading's Duke Energy-Ohio customers may only return to the utility or switch to another retail natural gas supplier during City's Aggregation Program service period or switch between the available aggregation rate offers during a service period at no charge under the following circumstances: a) during the Opt-Out Period; b) during the Rate Review Period as discussed in Section 5.2 above; or c) if they move out of The City of Reading. Customers that switch out of the program for any other reason may be charged a \$25 exit fee.

## 8.3 Duke Energy-Ohio Confirmation/Rescission Letter

A final means of leaving the Program, and an added defense mechanism against "customer slamming", comes in the form of written notification from Duke Energy-Ohio. This notice will inform the customer that they are about to be switched to Integrys Energy Services and have seven (7) days if they wish to rescind the contract. Customers must rescind by contacting Duke Energy-Ohio within the seven 7 day period.

## 8.4 Process for Determining the Pool of Customers

Integrys Energy Services will mail Opt-out Notices which include the Program terms and conditions along with instructions on how to opt-out to each eligible customer. Integrys Energy Services and the City will work together as described in Section 4.3 above to ensure that only eligible residents of the City of Reading are included in the mailing.

A customer may opt-out by returning a postcard to Integrys Energy Services or by calling Integrys Energy Services customer service at a designated phone number. Integrys Energy Services will remove customers who have returned opt-out forms, called to opt-out and any customers that are otherwise no longer eligible for the Program from the pool for enrollment.

Customers who have switched away from Duke Energy-Ohio to another supplier and wish to join The City of Reading's Aggregation Program and sign-up with Integrys Energy Services would first have to terminate their existing contract and contact Integrys Energy Services during the initial Opt-Out Period to receive the group rate. Those customers would be responsible for any early termination fees assessed by their current supplier.

## 8.5 Return to Duke Energy-Ohio Service

Customers that opt-out of The City of Reading's Aggregation Program after the initial 21-day Opt-Out Period will remain on Duke Energy-Ohio's commodity service and pay the applicable Standard Offer Service rate while taking such service, or if the consumer selects an alternate Retail Natural Gas Supplier that supplier's rate. Customers that voluntarily return to Duke Energy-Ohio during service under the Aggregation Program may be charged a price other than Duke Energy-Ohio's Standard Offer Service rate.

#### 8.6 Switching to Other Suppliers

Aggregation Program participants that switch to a different Retail Natural Gas Supplier after the expiration of the Opt-out Period will be allowed to do so in correlation with the customer's next scheduled meter read date. Customers choosing to switch, outside of the Opt-Out Period or Year Two Rate Review Period, may be subject to a \$25 exit fee. Notification of intent to opt-out of the Aggregation Group may be made by contacting Integrys Energy Services Customer Service by telephone or in writing.

### **IX. JOINING THE PROGRAM AFTER START-UP**

#### 9.1 New City of Reading Residents

Eligible Customers that move into The City of Reading after the conclusion of the initial Opt-Out Period shall have the opportunity to join the City's Aggregation Program at the rates provided in the Natural Gas Aggregation Supply Agreement. These customers may call Integrys Energy Services for information on joining the Aggregation Program. Integrys Energy Services may conduct a periodic Opt-Out Period refresh for new residents subject to receipt of new customer information from Duke Energy-Ohio. In the refresh, or if directly contacted, Integrys Energy Services will inform new residents of the City's automatic Aggregation Program and of their right to opt-out of the Program. The Opt-Out Period shall be twenty-one (21) days. The enrollment term of new customers will conclude with that of the initial pool. Rates offered to new residents may be that of the initial pool or a market based rate agreed to by the City and Integrys Energy Services.

#### 9.2 Customer Movement within the City or out of the City

The Aggregation Program participants that move from one location to another within the corporate limits of the City shall retain their participant status at the Natural Gas Aggregation Supply Agreement price associated with that status. These customers may be dropped from the Program by Duke Energy-Ohio in which case they will not incur an exit fee and may re-enroll in the Program through the periodic refresh process or by contacting Integrys Energy Services. Customers enrolled in The City of Reading's program that move out of the City limits will no longer be eligible to participate in the program and will lose their offer but will not incur an early termination fee.

#### 9.3 Previously Opted-Out or Otherwise Not Enrolled Customers

Duke Energy-Ohio customers in the City of Reading may join the City's Aggregation Program after the expiration of the initial Opt-Out Period by contacting Integrys Energy Services. Enrollment and service activation shall be subject to the written policies of Integrys Energy Services.

Rates for such customers shall be at the Agreement price, or at a market-based price, subject to the policies of Integrys Energy Services.

**X. RELIABILITY OF NATURAL GAS SERVICE**

For the protection of retail natural gas consumers in Ohio, the PUCO has adopted rules governing the minimum service, quality, safety, and reliability practices for local utilities like Duke Energy-Ohio. The rules provide standards for inspection, maintenance, repair, and replacement of the transportation and distribution system of each local utility. The rules also impose standards on utilities such as Duke Energy-Ohio for system operation, reliability, and safety during emergencies and disasters. Duke Energy-Ohio will continue to maintain and service natural gas meters, and its transportation and distribution facilities in the City of Reading. The only thing that changes for the Duke Energy-Ohio customers in The City of Reading that participate in the Aggregation Group is the Retail Natural Gas Supplier. This is the company that purchases the actual natural gas and supplies it to Duke Energy-Ohio. For the members in the City’s Natural Gas Aggregation Program, the Retail Natural Gas Supplier is Integrys Energy Services.

If the Retail Natural Gas Supplier does not provide sufficient gas to supply its customers the gas supply will be supplemented by Duke Energy-Ohio.

**XI. CUSTOMER SERVICE**

Integrys Energy Services shall provide a fully staffed, 24 hour a day 7 day a week, customer service staff. The staff will address questions or concerns related to the Program. City of Reading customers may call toll free to: 1-866-997-9447. Customers may contact Integrys Energy Services in writing at its Worthington, Ohio office at: Integrys Energy Services, Inc., 300 W. Wilson Bridge Rd., Suite 350, Worthington, Ohio 43085.

**XII. CONSUMER EDUCATION**

The City and Integrys Energy Services will, where practicable, provide consumer education messages that are consistent with the messages of Duke Energy-Ohio’s campaign, and the statewide consumer education program.

**XIII. DISPUTE RESOLUTION**

Members will have multiple means of addressing complaints. As a general rule, concerns regarding service reliability and billing should be directed to Duke Energy-Ohio. They continue to read meters, handle billing, and generally have the most information about a customer’s account. Questions regarding the Program administration should go to the City, and any unresolved disputes should be directed to the Public Utilities Commission of Ohio and/or the Ohio Consumers Council. Below is a list of toll-free numbers for members to call for assistance.

<u>Nature of Complaint</u>	<u>Contact</u>	<u>Phone Number</u>
Gas Odor/Leaks-Fire-Explosions	Duke Energy-Ohio	1-800-634-4300



Service turn on/off	Duke Energy-Ohio	1-800-544-6900
Billing Disputes	Duke Energy-Ohio	1-800-544-6900
Joining/Leaving Program	Integrys Customer Service	1-866-997-9447
Program Regulatory Questions	Integrys Customer Service	1-866-997-9447
Unresolved Disputes	Public Utilities Commission	1-800-686-7826
Unresolved Disputes	Ohio Consumers Council	1-877-742-5622

Integrys Energy Services will attempt to resolve all customer complaints in a timely and good faith manner. Integrys Energy Services shall investigate and provide a status report to the customer when the complaint is made directly to Integrys Energy Services and/or the City within three (3) business days following receipt of the complaint. Or in the case of a Public Utilities Commission of Ohio ("PUCO") complaint Integrys Energy Services shall investigate and provide a status report to the customer and PUCO staff within three (3) business days following receipt of the complaint. If an investigation into a complaint received from the customer or a complaint referred by the PUCO is not completed within ten (10) business days, then a status report will be given to the customer, and, if applicable, the PUCO. These status reports will be given every three (3) business days until the investigation is complete, unless the action that must be taken takes longer than three (3) business days and the customer has been notified. Final results of a Commission-referred complaint will be provided to the PUCO either orally (phone) or in writing (e-mail, written correspondence), no later than three (3) business days after the investigation is completed. The final results will be provided in writing to the customer no later than three (3) business days after the investigation is completed. Customers retain the right to contact the PUCO regarding complaints and disputes. All customers have the right to contact the PUCO by writing to Public Utilities Commission of Ohio, ATTN: IAD, 180 E. Broad St., Columbus, OH 43215-3793 by fax to (614) 752-8351 through their website at [www.puc.state.oh.us](http://www.puc.state.oh.us) or by calling toll free (800) 686-7826 (VOICE) or (800) 686-1570 (TTY-TDD). Records of customer complaints will be retained for two (2) years after the occurrence of the complaint. A copy of the complaint record will be provided to the PUCO within three (3) business days, if requested.

#### **XIV. GENERAL PROVISIONS**

##### **14.1 Governing Law**

Service under the Aggregation Program shall be governed by the provisions of the City's Natural Gas Aggregation Program Plan of Operation and Governance, the City of Reading-Integrys Natural Gas Aggregation Supply Agreement, the Codified Ordinances of the City of Reading, Ohio, the Ohio Revised Code and the rules and regulations of the Public Utilities Commission of Ohio.

##### **14.2 Taxes and Fees**

Any taxes, duties, fees or charges levied against Integrys Energy Services by any governmental or regulatory entity or passed through to Integrys Energy Services by capacity or energy suppliers shall be passed through by Integrys Energy Services and paid by the customer. Integrys Energy Services shall provide the customer written notice and detailed description of such charges if such information has not been included in previous communications.

#### 14.3 Additional Equipment

If additional metering or monitoring equipment is required by Duke Energy-Ohio, such metering or monitoring equipment shall be installed at customer's expense. If Integrys Energy Services requires additional metering or monitoring equipment, Integrys Energy Services shall be responsible for all related expenses.

#### 14.4 Customer Information

Participating customers will be protected from unwanted solicitations by a prohibition that Integrys Energy Services and/or the City may not sell/exchange or otherwise release an Aggregation Program participant's social security number, account number, name, address or other identifying information to third parties for purposes of solicitation without the Aggregation Program participant's written consent. Integrys Energy Services shall not release information on customers that have opted out of the Aggregation Program without the prior written consent of the customer.

#### 14.5 Payment History

Aggregation Program customers shall have the right to request, without charge, from Integrys Energy Services the customer's payment history for a period of up to twenty-four (24) months.

### **XV. ADOPTION OF PLAN OF OPERATION AND GOVERNANCE**

This Plan of Operation and Governance shall be subject to the adoption of The City of Reading City Council. A copy of the City's Resolution No.                      adopting this Plan of Operation is attached hereto as Attachment C.

Further modifications to the Plan of Operation and Governance after adoption will require approval of The City of Reading City Councils, and, if any modifications materially affect Members, the City shall first provide notice to all affected Members and provide the same the opportunity to opt out of the Program.

## PLAN OF OPERATIONS DEFINITIONS

1.1 **“Aggregation”** means combining the retail natural gas loads of multiple customers for the purpose of supplying or arranging for the supply of competitive retail natural gas service to those customers.

1.2 **“Aggregation Group”** means those eligible retail natural gas customers of Duke Energy-Ohio within the corporate limits of the City of Reading, excluding PIPP customers, defined as Eligible Customers in 1.8 and who do not “opt-out” of the City’s Aggregation Program.

1.3 **“Aggregation Program”** or **“Program”** means the provision of competitive retail natural gas aggregation services to the Aggregation Group of the City of Reading and pursuant to the City’s Plan of Operation and Governance.

1.4 **“Aggregation Services”** means services provided to the Aggregation Group pursuant to the Natural Gas Supply Agreement executed by the City and Integrys Energy Services.

1.5 **“Competitive Retail Natural Gas Service”** means retail natural gas service that is deemed competitive pursuant to Section 4929.01(J) of the Ohio Revised Code which states J) “Competitive retail natural gas service” means any retail natural gas service that may be competitively offered to consumers in this state as a result of revised schedules approved under division © of section 4929.29 of the Revised Code, a rule or order adopted or issued by the public utilities commission under Chapter 4905 of the Revised Code, or an exemption granted by the commission under sections 4929.04 to 4929.08 of the Revised Code.

1.6 **“Consolidated Billing”** means combining the incumbent natural gas company’s charges and the Retail Natural Gas Supplier’s charges on one billing statement.

1.7 **“Electronic Data Interchange” (“EDI”)** means the computer system used by Integrys Energy Services and Duke Energy-Ohio to transmit enrollment, supply and billing information.

1.8 **“Eligible Customer”** includes customers of Duke Energy-Ohio who are not: a person that is both a distribution service customer and a mercantile customer on the date of commencement of service to the governmental aggregation, or the person becomes a distribution service customer after the service commencement date and is also a mercantile customer; a person that is supplied with commodity sales service pursuant to a contract with a Retail Natural Gas Supplier that is in effect on the effective date of the ordinance or resolution authorizing the aggregation; a person that is supplied with commodity sales service as part of the percentage of income payment plan program or similar or successor program adopted by the commission under chapters 4905 or 4929. of the revised code; or, a customer that has failed to discharge, or enter into a plan to discharge, all existing arrearages owed to or being billed by a natural gas company from which the person is receiving service.

1.9 **“Governmental Aggregator”** means a county, municipality or township that provides aggregation services.

1.10 **“Natural Gas Aggregation Supply Agreement” or “Agreement”** means the contract agreed to between the City of Reading and its Retail Natural Gas Supplier for the provision of competitive retail natural gas service to the City’s Aggregation Program.

1.11 **“Opt-Out Period”** means the twenty-one day (21) day period in which eligible Duke Energy-Ohio customers in The City of Reading must opt-out of the City of Reading’s Aggregation Program or they will be automatically enrolled in the Program.

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

1.13 **“Plan of Operation and Governance”** means the City of Reading’s Plan of Operation and Governance which details the services provided under the Aggregation Program. The Plan of Operation and Governance shall become effective upon passage of City Ordinance or at a time otherwise provided in said legislation.

1.14 **“PUCO”** means the Public Utilities Commission of Ohio.

1.15 **“Purchasing Agent”** means the City of Reading as a municipality or township that provides Competitive Retail Natural Gas Service by contracting with a Retail Natural Gas Supplier.

1.16 **“Retail Natural Gas Service”** means commodity sales service, ancillary service, natural gas aggregation service, natural gas marketing service, or natural gas brokerage service. Pursuant to 4929.01 (M) of the Ohio Revised Code

1.17 **“Retail Natural Gas Supplier”** means a Retail Natural Gas Supplier that has been certified by the PUCO to provide competitive retail natural gas service to consumers in Ohio that are not mercantile customers including marketers, brokers, or aggregators, but excludes a natural gas company, a governmental aggregator, a billing or collection agent, and a producer or gatherer of gas that is not a natural gas company.

1.18 **“Seller”** means Integrys Energy Services, Inc., the Retail Natural Gas Supplier for the City of Reading Aggregation.

RESOLUTION # 09- 26 R.  
RESOLUTION ADOPTING PLAN OF OPERATION AND GOVERNANCE  
FOR  
NATURAL GAS AGGREGATION PROGRAM,  
AND DECLARING AN EMERGENCY:

WHEREAS, the Council of the City of Reading has developed a Natural Gas Aggregation Program Plan of Operation and Governance ("Plan of Operation") in accordance with the governmental aggregation provisions of Amended House Bill 9 as provided in Sections 4901 and 4929.26 of the Ohio Revised Code and the Rules for Formation and Operation of natural gas governmental aggregations; and

WHEREAS, Reading's natural gas aggregation program will aggregate the retail natural gas load of residents and businesses that are eligible to participate in the Duke Energy - Ohio Energy Choice program for the purpose of negotiating for competitive retail natural gas supply at favorable rates; and

WHEREAS, Reading now intends to file for certification as a Governmental Aggregator, which requires that the City first adopt its Plan of Operation and Governance.

NOW THEREFORE BE IT RESOLVED, by the Council of the City of Reading, Hamilton County, Ohio, as follows:

SECTION 1. The Council hereby adopts the Natural Gas Aggregation Program Plan of Operation and Governance which is attached hereto as Exhibit A and incorporated by reference herein.

SECTION 2. This resolution shall take effect on May 8, 2009.

SECTION 3. It is hereby determined that all formal actions of the Reading City Council relating to the adoption of this Resolution were taken in an open meeting of the Reading City Council and that all deliberations of such Council were in meetings open to the public, in compliance with all legal requirements, including Section 121.22 O.R.C.

ADOPTED AT THE REGULAR MEETING of the Reading City Council of Hamilton County, Ohio this 8 day of April, 2009.

ATTEST:

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

Approved as to form:

\_\_\_\_\_  
Law Director

\_\_\_\_\_  
President of Council

Approved \_\_\_\_\_, 2009

\_\_\_\_\_  
Mayor

CITY OF READING, OHIO

EXHIBIT B-3

Automatic Aggregation Disclosure Notification - 4 pages



## City of Reading Natural Gas Aggregation Program



July 25, 2014

Customer Name  
Mailing Address1  
Mailing Address2.  
City State Zip code

Account No.: XXXXXXXXXX

Dear Resident or Small Business:

In November 2008, the City of Reading voters authorized the creation of a natural gas aggregation program. The City of Reading has selected IntegrYS Energy Services – Natural Gas, LLC (“IntegrYS Energy Services”) to supply gas to the City’s Program. As a resident, you are eligible to participate in this program.

You will be automatically enrolled in the program unless you opt out by August 15, 2014. Your service is estimated to commence with your September 2014 billing. This is an estimate only and will depend upon your meter read cycle and when your local utility accepts your enrollment.

### How You Benefit

The City of Reading and IntegrYS Energy Services have designed the program to allow participants to select one of two natural gas pricing products – the Locked-In Price with Flex Down Opportunity<sup>SM</sup> Rate or a Monthly Variable Rate. Unless you call in or go online to request the Monthly Variable Rate, you will automatically receive the Locked-In Price with Flex Down Opportunity<sup>SM</sup> Rate.

Please see the enclosed Terms and Conditions for full details regarding this rate option and other terms of the program such as eligibility.

### Billing / Service Delivery Unchanged

Other than the price and supplier, nothing regarding your natural gas service will change. You will continue to receive one monthly bill from Duke Energy - Ohio. Duke will continue to deliver your natural gas and be responsible for maintaining the system that delivers natural gas to your home.

### Tax Exempt Customers

Tax exempt customers are requested to please send their most recent tax exempt certificate on or before August 15, 2014 to: IntegrYS Energy Services – Natural Gas, LLC, 1716 Lawrence Drive, De Pere, WI 54115 or fax to 920-272-4244. Be sure to note the City of Reading Aggregation Program on the certificate. IntegrYS Energy will not charge sales tax starting with the date the certificate is received.

### Enrollment Information

After your enrollment is finalized, Duke Energy - Ohio 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.

### Three things you should know



- ✓ If you do nothing, you will be automatically enrolled in the City of Reading Program.
- ✓ Duke Energy - Ohio will continue sending monthly bills, responding to outages, and delivering your natural gas.
- ✓ No one from the City of Reading program will ever come to your door to ask you to switch to a new supplier. Anyone who comes to your door asking you to switch is NOT with the City of Reading program.

### How to Opt-Out

If you do not wish to participate in the City of Reading Natural Gas Aggregation Program, you must opt-out by returning the enclosed opt-out postcard, postmarked no later than August 15, 2014, by simply calling the Integrys Energy Service customer service center at 866-997-9447 (24 hours a day, seven days a week), or by going online at [www.integrysenergy.com/reading](http://www.integrysenergy.com/reading). Additionally, you will have the opportunity to opt out of the City of Reading Natural Gas Aggregation Program without penalty at least every two (2) years.

If you have any questions, please refer to the Frequently Asked Questions on our website at [www.integrysenergy.com/reading](http://www.integrysenergy.com/reading) or contact us at our toll-free number at 866-997-9447. Customer service representatives are available 24 hours a day, 7 days a week.

Sincerely,

A handwritten signature in black ink that reads "Bo Bemmes". The signature is written in a cursive, flowing style.

Mayor Bo Bemmes

and

Integrys Energy Services - Natural Gas, LLC

Enclosure: Program Terms and Conditions (See Section 1 for a further explanation of eligibility).





## City of Reading Natural Gas Aggregation Program



### OPT OUT NOTICE - TERMS AND CONDITIONS

The City of Reading pursuant to the aggregation authority conferred upon it by Ballot Issue No. 19, which passed by a majority of the vote on November 4, 2008, selected Integrus Energy Services – Natural Gas, LLC (“Seller”) to supply the aggregation and to administer enrollments as described below. **IF YOU DO NOT WISH TO PARTICIPATE, YOU MUST OPT-OUT BY RETURNING THE POSTCARD POSTMARKED NO LATER THAN AUGUST 15, 2014, BY GOING ON-LINE AT [WWW.INTEGRUSENERGY.COM/READING](http://WWW.INTEGRUSENERGY.COM/READING), OR BY CALLING OUR TOLL FREE NUMBER (866-997-9447) BY AUGUST 15, 2014.** You, the account holder (also referred to as “Buyer”) for the account referenced on the letter accompanying this Opt Out Notice (the “Account”), and Seller agree to the following terms and conditions (the “Agreement”).

**1. 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 RETURNING THE POSTCARD POSTMARKED NO LATER THAN AUGUST 15, 2014, BY GOING ONLINE AT [WWW.INTEGRUSENERGY.COM/READING](http://WWW.INTEGRUSENERGY.COM/READING), OR BY CALLING OUR TOLL FREE NUMBER BY AUGUST 15, 2014.**

**Eligibility:** To be eligible for automatic aggregation, Buyer and the Accounts to be served (i) must be located within the jurisdictional boundaries of the City of Reading and Duke Energy - Ohio (“Utility”), (ii) may not be under contract with another competitive supplier, (iii) may not be a mercantile customer or a PIPP customer (Percentage of Income Payment Plan program customers), and (iv) must be in good credit standing with the Utility.

**Rescission Period:** Upon Buyer’s successful enrollment, the Utility will send Buyer a letter confirming the transfer of service. Buyer may cancel its enrollment without penalty within seven (7) business days of the postmark date of that letter (“Rescission Period”) by contacting the Utility in writing or by telephone as noted in that letter.

**2. Delivery Period:** Service shall begin as soon as the Utility accepts your enrollment. Service shall continue at the Price noted herein through the August 2015 meter read date. Prior to the end of the initial Delivery Period, Seller shall provide Buyer notice of any changes to the terms and conditions of this Agreement that apply to service during the next Delivery Period. If renewal is indicated in the expiration notice, service will renew at the terms stated in the renewal notice unless Buyer affirmatively terminates the Agreement upon the expiration as provided in the notice. Buyer shall have the opportunity to opt-out of the Aggregation Program at least every two (2) years without penalty.

**3. Supplier’s and Utility’s Role:** Seller agrees to sell to Buyer and deliver to the Utility, and Buyer agrees to purchase from Seller and receive from the Utility, Buyer’s full requirements of natural gas for the accounts listed on the Enrollment Notice (“Accounts”). The Utility will deliver the natural gas to the Accounts and shall invoice and collect Seller’s charges. Seller does not impose credit or deposit requirements. The Utility’s billing and payment procedures shall apply in accordance with the applicable tariff, including but not limited to, the Utility’s right to assess late payment fees and to disconnect gas service for past due charges. The Utility or Seller may terminate your service under this Agreement for non-payment with at least fourteen (14) days written notice. Seller may cause the Utility to correct previous invoices in the event of invoicing errors. Buyer should contact the Utility in the event of a natural gas emergency.

**4. Price:** Initially, the price for the Locked-In Price with Flex Down Opportunity<sup>SM</sup> Rate will vary monthly with no price cap. The Locked-In Price with Flex Down Opportunity<sup>SM</sup> Rate will be calculated based on a formula including a Delivery Adder as calculated by Seller and the “Market Settlement” price defined below. The Delivery Adder is based upon several factors, including, but not limited to: the monthly market price for transportation to the point of delivery, shrinkage, Btu adjustment and pooling fees. When the City of Reading City Council and Seller establish a price cap for the Locked-In Price with Flex Down Opportunity<sup>SM</sup> Rate, Seller will provide Buyer with notice, including the period of time within the Delivery Period during which the rate applies. However, if you contact Seller by calling our toll-free telephone number, 866-997-9447, you can request the Monthly Variable Rate for the entire Delivery Period. Both rates may change monthly based on current Market prices.

The Locked in Price with Flex Down Opportunity<sup>SM</sup> Rate is calculated based upon the sum of the weighted average “Market” prices when the price cap is locked by the City of Reading City Council, plus a Delivery Adder as calculated by Seller for the Delivery Period. Each month, Seller will compare the cap to the then-current weighted average Market price for the remainder of the Delivery Period and may adjust the monthly price to account for a downward or upward pricing trend within the Delivery Period, however *the price with the Locked-In Price with Flex Down Opportunity<sup>SM</sup> Rate will never exceed the cap during the Delivery Period.*

The Monthly Variable Rate is calculated based upon the Market price for the delivery month plus the Delivery Adder. The Monthly Variable Rate has no cap.

The “Market” price is a current price for the relevant month’s natural gas futures contract that is traded on the New York Mercantile Exchange (“NYMEX”) on the day the price is determined. The “Market Settlement” price is the Market price at settlement for the relevant month as determined by NYMEX.

The Price includes all gas supply costs to the Utility and some pass-through charges from the Utility to the burnertip, including, but not limited to, btu factor and shrinkage. If the pass-through charges from the Utility increase, or if new charges are approved by a

governmental agency with jurisdiction and passed through, or if existing tariff charges are administered differently and the pass-through charges from the Utility increase, the Price will increase accordingly. There are no recurring or nonrecurring supplier charges that are billed in addition to the Price. A switching fee may apply under the terms of the Utility's tariff. **Seller shall not charge You separately for any switching fees.** The Price does not include Taxes (as defined below) or Utility distribution charges.

5. **Taxes:** Buyer is responsible for all state and local sales, use, revenue, gross receipts, commercial activity, excise and/or ad valorem tax (collectively, "Taxes") and shall reimburse Seller if Seller is required to remit such Taxes in connection with this Agreement. Tax exempt customers wishing to participate are requested to please send their most recent tax exempt certificate on or before AUGUST 15, 2014 to: Integrys Energy Services – Natural Gas, LLC, 1716 Lawrence Drive, De Pere, WI 54115 or fax to 920-272-4244. Be sure to note The City of Reading Aggregation Program on the certificate. Integrys Energy Services – Natural Gas, LLC will not charge sales tax starting with the date the certificate is received.

6. **Customer Information:** Seller will not request a deposit or investigate your credit history to establish service. Except as is otherwise provided in the Ohio Administrative Code, Seller shall not disclose Buyer's account number(s) without (i) Buyer's affirmative written or electronic authorization, which shall comply with applicable law, or (ii) pursuant to a court order or by PUCO order or rule. Seller shall not disclose Buyer's social security number without (i) Buyer's affirmative written or electronic authorization or (ii) pursuant to a court order or by PUCO order or rule. Upon request of Buyer, Seller will provide up to 24 months of Buyer's payment history without charge.

7. **Termination; Remedies:** (a) This Agreement will automatically terminate or Buyer may terminate the Agreement without penalty if (i) the requested service location is not served by the Utility or (ii) Buyer, or the applicable Account being served, moves outside the Utility service area or to an area not served by Seller.

(b) This Agreement will terminate upon written notice, but without penalty to Buyer if, (i) competitive retail natural gas service is no longer available due to a change in regulation, tariff, or law, or (ii) Seller defaults, which includes, an unexcused failure to deliver natural gas under the terms of this Agreement.

(c) An "Early Termination" shall occur if this Agreement is terminated (i) by Buyer to select a different price or rate plan after the Rescission Period but prior to the end of the Delivery Period, or for any other reason other than those listed in (a)-(b) above or (ii) by Seller due to Buyer's default, which includes a failure to pay or an unexcused failure to receive natural gas under the terms of this Agreement. In the event of an Early Termination, Seller may charge a termination fee of \$25. Buyer agrees to pay Seller for Early Termination within ten (10) calendar days of the invoice date to the payment address noted on the invoice, or as otherwise agreed upon by Buyer and Seller. No termination fee is due if Buyer is on the Monthly Variable Rate, remains a customer of Seller, but selects a different Rate Plan. If Buyer returns to the Utility after the Rescission Period, Buyer may not be served on the same rates, terms and conditions that apply to the Utility's Standard Service Offer.

8. **Limitations:** ALL NATURAL GAS 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 INCIDENTAL, CONSEQUENTIAL, SPECIAL, OR PUNITIVE DAMAGES.

9. **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 such failure was caused by any event beyond the reasonable control of the non-performing party, that could not be remedied by the exercise of due diligence and that was not reasonably foreseeable, including without limitation, acts of God, interruption of utility service, terrorist acts or wars, force majeure events of the Utility. Seller may return Buyer to Utility service upon notification of a Force Majeure event preventing performance.

10. **Questions, Complaints and Concerns:** Buyer may contact Seller (i) by calling 24 hours per day, 7 days per week at 866-997-9447, by visiting [www.integrysenergy.com/READING](http://www.integrysenergy.com/READING); or (ii) by writing us at 1716 Lawrence Dr., De Pere, WI 54115. Seller will attempt to resolve all customer complaints in a timely manner and will respond to all complaints within 3 business days of receipt. If Buyer's complaint is not resolved after Buyer has called Seller, or for general utility information, residential and business customers may contact the PUCO for assistance at 800-686-7826 (toll-free), or for TYY toll free at 800-686-1570, from 8am to 5pm weekdays, or visit the PUCO website at [www.puco.ohio.gov](http://www.puco.ohio.gov) or as otherwise specified by PUCO. Residential customers may also contact the Ohio Consumers' Counsel ("OCC") for assistance with complaints and utility issues at 877-742-5622 from 8am to 5pm weekdays, or visit [www.pickocc.org](http://www.pickocc.org).

11. **Miscellaneous:** This Agreement shall be governed by and construed in accordance with the laws of the State of Ohio. 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 consent. This Agreement constitutes the entire agreement between the Parties, superseding all verbal and written understandings.

CITY OF READING, OHIO

EXHIBIT B-4

Opt Out Notice- 4 pages



## City of Reading Natural Gas Aggregation Program



July 25, 2014

Customer Name  
Mailing Address1  
Mailing Address2.  
City State Zip code

Account No.: XXXXXXXXXX

Dear Resident or Small Business:

In November 2008, the City of Reading voters authorized the creation of a natural gas aggregation program. The City of Reading has selected Integrus Energy Services – Natural Gas, LLC (“Integrus Energy Services”) to supply gas to the City’s Program. As a resident, you are eligible to participate in this program.

You will be automatically enrolled in the program unless you opt out by August 15, 2014. Your service is estimated to commence with your September 2014 billing. This is an estimate only and will depend upon your meter read cycle and when your local utility accepts your enrollment.

### How You Benefit

The City of Reading and Integrus Energy Services have designed the program to allow participants to select one of two natural gas pricing products – the Locked-In Price with Flex Down Opportunity<sup>SM</sup> Rate or a Monthly Variable Rate. Unless you call in or go online to request the Monthly Variable Rate, you will automatically receive the Locked-In Price with Flex Down Opportunity<sup>SM</sup> Rate.

Please see the enclosed Terms and Conditions for full details regarding this rate option and other terms of the program such as eligibility.

### Billing / Service Delivery Unchanged

Other than the price and supplier, nothing regarding your natural gas service will change. You will continue to receive one monthly bill from Duke Energy - Ohio. Duke will continue to deliver your natural gas and be responsible for maintaining the system that delivers natural gas to your home.

### Tax Exempt Customers

Tax exempt customers are requested to please send their most recent tax exempt certificate on or before August 15, 2014 to: Integrus Energy Services – Natural Gas, LLC, 1716 Lawrence Drive, De Pere, WI 54115 or fax to 920-272-4244. Be sure to note the City of Reading Aggregation Program on the certificate. Integrus Energy will not charge sales tax starting with the date the certificate is received.

### Enrollment Information

After your enrollment is finalized, Duke Energy - Ohio 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.

### Three things you should know



- ✓ If you do nothing, you will be automatically enrolled in the City of Reading Program.
- ✓ Duke Energy - Ohio will continue sending monthly bills, responding to outages, and delivering your natural gas.
- ✓ No one from the City of Reading program will ever come to your door to ask you to switch to a new supplier. Anyone who comes to your door asking you to switch is NOT with the City of Reading program.

### How to Opt-Out

If you do not wish to participate in the City of Reading Natural Gas Aggregation Program, you must opt-out by returning the enclosed opt-out postcard, postmarked no later than August 15, 2014, by simply calling the Integrys Energy Service customer service center at 866-997-9447 (24 hours a day, seven days a week), or by going online at [www.integrysenergy.com/reading](http://www.integrysenergy.com/reading). Additionally, you will have the opportunity to opt out of the City of Reading Natural Gas Aggregation Program without penalty at least every two (2) years.

If you have any questions, please refer to the Frequently Asked Questions on our website at [www.integrysenergy.com/reading](http://www.integrysenergy.com/reading) or contact us at our toll-free number at 866-997-9447. Customer service representatives are available 24 hours a day, 7 days a week.

Sincerely,

A handwritten signature in black ink that reads "Bo Bemmes". The signature is written in a cursive, flowing style.

Mayor Bo Bemmes

and

Integrys Energy Services - Natural Gas, LLC

Enclosure: Program Terms and Conditions (See Section 1 for a further explanation of eligibility).



## City of Reading Natural Gas Aggregation Program



### OPT OUT NOTICE - TERMS AND CONDITIONS

The City of Reading pursuant to the aggregation authority conferred upon it by Ballot Issue No. 19, which passed by a majority of the vote on November 4, 2008, selected Integrus Energy Services – Natural Gas, LLC (“Seller”) to supply the aggregation and to administer enrollments as described below. **IF YOU DO NOT WISH TO PARTICIPATE, YOU MUST OPT-OUT BY RETURNING THE POSTCARD POSTMARKED NO LATER THAN AUGUST 15, 2014, BY GOING ON-LINE AT [WWW.INTEGRUSENERGY.COM/READING](http://WWW.INTEGRUSENERGY.COM/READING), OR BY CALLING OUR TOLL FREE NUMBER (866-997-9447) BY AUGUST 15, 2014.** You, the account holder (also referred to as “Buyer”) for the account referenced on the letter accompanying this Opt Out Notice (the “Account”), and Seller agree to the following terms and conditions (the “Agreement”).

**1. 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 RETURNING THE POSTCARD POSTMARKED NO LATER THAN AUGUST 15, 2014, BY GOING ONLINE AT [WWW.INTEGRUSENERGY.COM/READING](http://WWW.INTEGRUSENERGY.COM/READING), OR BY CALLING OUR TOLL FREE NUMBER BY AUGUST 15, 2014.**

**Eligibility:** To be eligible for automatic aggregation, Buyer and the Accounts to be served (i) must be located within the jurisdictional boundaries of the City of Reading and Duke Energy - Ohio (“Utility”), (ii) may not be under contract with another competitive supplier, (iii) may not be a mercantile customer or a PIPP customer (Percentage of Income Payment Plan program customers), and (iv) must be in good credit standing with the Utility.

**Rescission Period:** Upon Buyer’s successful enrollment, the Utility will send Buyer a letter confirming the transfer of service. Buyer may cancel its enrollment without penalty within seven (7) business days of the postmark date of that letter (“Rescission Period”) by contacting the Utility in writing or by telephone as noted in that letter.

**2. Delivery Period:** Service shall begin as soon as the Utility accepts your enrollment. Service shall continue at the Price noted herein through the August 2015 meter read date. Prior to the end of the initial Delivery Period, Seller shall provide Buyer notice of any changes to the terms and conditions of this Agreement that apply to service during the next Delivery Period. If renewal is indicated in the expiration notice, service will renew at the terms stated in the renewal notice unless Buyer affirmatively terminates the Agreement upon the expiration as provided in the notice. Buyer shall have the opportunity to opt-out of the Aggregation Program at least every two (2) years without penalty.

**3. Supplier’s and Utility’s Role:** Seller agrees to sell to Buyer and deliver to the Utility, and Buyer agrees to purchase from Seller and receive from the Utility, Buyer’s full requirements of natural gas for the accounts listed on the Enrollment Notice (“Accounts”). The Utility will deliver the natural gas to the Accounts and shall invoice and collect Seller’s charges. Seller does not impose credit or deposit requirements. The Utility’s billing and payment procedures shall apply in accordance with the applicable tariff, including but not limited to, the Utility’s right to assess late payment fees and to disconnect gas service for past due charges. The Utility or Seller may terminate your service under this Agreement for non-payment with at least fourteen (14) days written notice. Seller may cause the Utility to correct previous invoices in the event of invoicing errors. Buyer should contact the Utility in the event of a natural gas emergency.

**4. Price:** Initially, the price for the Locked-In Price with Flex Down Opportunity<sup>SM</sup> Rate will vary monthly with no price cap. The Locked-In Price with Flex Down Opportunity<sup>SM</sup> Rate will be calculated based on a formula including a Delivery Adder as calculated by Seller and the “Market Settlement” price defined below. The Delivery Adder is based upon several factors, including, but not limited to: the monthly market price for transportation to the point of delivery, shrinkage, Btu adjustment and pooling fees. When the City of Reading City Council and Seller establish a price cap for the Locked-In Price with Flex Down Opportunity<sup>SM</sup> Rate, Seller will provide Buyer with notice, including the period of time within the Delivery Period during which the rate applies. However, if you contact Seller by calling our toll-free telephone number, 866-997-9447, you can request the Monthly Variable Rate for the entire Delivery Period. Both rates may change monthly based on current Market prices.

The Locked in Price with Flex Down Opportunity<sup>SM</sup> Rate is calculated based upon the sum of the weighted average “Market” prices when the price cap is locked by the City of Reading City Council, plus a Delivery Adder as calculated by Seller for the Delivery Period. Each month, Seller will compare the cap to the then-current weighted average Market price for the remainder of the Delivery Period and may adjust the monthly price to account for a downward or upward pricing trend within the Delivery Period, however *the price with the Locked-In Price with Flex Down Opportunity<sup>SM</sup> Rate will never exceed the cap during the Delivery Period.*

The Monthly Variable Rate is calculated based upon the Market price for the delivery month plus the Delivery Adder. The Monthly Variable Rate has no cap.

The “Market” price is a current price for the relevant month’s natural gas futures contract that is traded on the New York Mercantile Exchange (“NYMEX”) on the day the price is determined. The “Market Settlement” price is the Market price at settlement for the relevant month as determined by NYMEX.

The Price includes all gas supply costs to the Utility and some pass-through charges from the Utility to the burnertip, including, but not limited to, btu factor and shrinkage. If the pass-through charges from the Utility increase, or if new charges are approved by a

governmental agency with jurisdiction and passed through, or if existing tariff charges are administered differently and the pass-through charges from the Utility increase, the Price will increase accordingly. There are no recurring or nonrecurring supplier charges that are billed in addition to the Price. A switching fee may apply under the terms of the Utility's tariff. **Seller shall not charge You separately for any switching fees.** The Price does not include Taxes (as defined below) or Utility distribution charges.

5. **Taxes:** Buyer is responsible for all state and local sales, use, revenue, gross receipts, commercial activity, excise and/or ad valorem tax (collectively, "Taxes") and shall reimburse Seller if Seller is required to remit such Taxes in connection with this Agreement. Tax exempt customers wishing to participate are requested to please send their most recent tax exempt certificate on or before AUGUST 15, 2014 to: Integrys Energy Services – Natural Gas, LLC, 1716 Lawrence Drive, De Pere, WI 54115 or fax to 920-272-4244. Be sure to note The City of Reading Aggregation Program on the certificate. Integrys Energy Services – Natural Gas, LLC will not charge sales tax starting with the date the certificate is received.

6. **Customer Information:** Seller will not request a deposit or investigate your credit history to establish service. Except as is otherwise provided in the Ohio Administrative Code, Seller shall not disclose Buyer's account number(s) without (i) Buyer's affirmative written or electronic authorization, which shall comply with applicable law, or (ii) pursuant to a court order or by PUCO order or rule. Seller shall not disclose Buyer's social security number without (i) Buyer's affirmative written or electronic authorization or (ii) pursuant to a court order or by PUCO order or rule. Upon request of Buyer, Seller will provide up to 24 months of Buyer's payment history without charge.

7. **Termination; Remedies:** (a) This Agreement will automatically terminate or Buyer may terminate the Agreement without penalty if (i) the requested service location is not served by the Utility or (ii) Buyer, or the applicable Account being served, moves outside the Utility service area or to an area not served by Seller.

(b) This Agreement will terminate upon written notice, but without penalty to Buyer if, (i) competitive retail natural gas service is no longer available due to a change in regulation, tariff, or law, or (ii) Seller defaults, which includes, an unexcused failure to deliver natural gas under the terms of this Agreement.

(c) An "Early Termination" shall occur if this Agreement is terminated (i) by Buyer to select a different price or rate plan after the Rescission Period but prior to the end of the Delivery Period, or for any other reason other than those listed in (a)-(b) above or (ii) by Seller due to Buyer's default, which includes a failure to pay or an unexcused failure to receive natural gas under the terms of this Agreement. In the event of an Early Termination, Seller may charge a termination fee of \$25. Buyer agrees to pay Seller for Early Termination within ten (10) calendar days of the invoice date to the payment address noted on the invoice, or as otherwise agreed upon by Buyer and Seller. No termination fee is due if Buyer is on the Monthly Variable Rate, remains a customer of Seller, but selects a different Rate Plan. If Buyer returns to the Utility after the Rescission Period, Buyer may not be served on the same rates, terms and conditions that apply to the Utility's Standard Service Offer.

8. **Limitations:** ALL NATURAL GAS 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 INCIDENTAL, CONSEQUENTIAL, SPECIAL, OR PUNITIVE DAMAGES.

9. **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 such failure was caused by any event beyond the reasonable control of the non-performing party, that could not be remedied by the exercise of due diligence and that was not reasonably foreseeable, including without limitation, acts of God, interruption of utility service, terrorist acts or wars, force majeure events of the Utility. Seller may return Buyer to Utility service upon notification of a Force Majeure event preventing performance.

10. **Questions, Complaints and Concerns:** Buyer may contact Seller (i) by calling 24 hours per day, 7 days per week at 866-997-9447, by visiting [www.integrysenergy.com/READING](http://www.integrysenergy.com/READING); or (ii) by writing us at 1716 Lawrence Dr., De Pere, WI 54115. Seller will attempt to resolve all customer complaints in a timely manner and will respond to all complaints within 3 business days of receipt. If Buyer's complaint is not resolved after Buyer has called Seller, or for general utility information, residential and business customers may contact the PUCO for assistance at 800-686-7826 (toll-free), or for TYY toll free at 800-686-1570, from 8am to 5pm weekdays, or visit the PUCO website at [www.puco.ohio.gov](http://www.puco.ohio.gov) or as otherwise specified by PUCO. Residential customers may also contact the Ohio Consumers' Counsel ("OCC") for assistance with complaints and utility issues at 877-742-5622 from 8am to 5pm weekdays, or visit [www.pickocc.org](http://www.pickocc.org).

11. **Miscellaneous:** This Agreement shall be governed by and construed in accordance with the laws of the State of Ohio. 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 consent. This Agreement constitutes the entire agreement between the Parties, superseding all verbal and written understandings.

CITY OF READING, OHIO

EXHIBIT B-5

Experience - 1 page



### **Exhibit B-5 “Experience”**

Due to the complexity of Governmental Aggregation, the Governmental Aggregator applicant has entered into a program agreement with Constellation Energy Services – Natural Gas, LLC (“Constellation”) to assist us in implementing and maintaining our Natural Gas Governmental Aggregation Program. Constellation is a PUCO certified Natural Gas Aggregator and has experience in managing and supplying more than 50 governmental aggregation programs in the State of Ohio.

A detailed summary of the contract includes, but is not limited to, providing the following services:

- Assist with the preparation of the Plan of Operation and Governance
- Assist with the required legal notice and the required public meetings to review and approve the Plan of Operation and Governance
- Assist with the preparation and submission of the Certification Application for Governmental Aggregators and Re-certification Applications, as well as PUCO annual reporting requirements
- Provide a dedicated Toll Free Number for the program that is fully-staffed and trained and is available 24 hours a day, 7 days a week to respond to all customer questions and complaints
- Provide a dedicated landing page for each governmental aggregation program which provides customer education content, program information and customer service access
- Provide gas supply pricing strategies and provide the gas supply for the chosen strategy(ies)
- Assist in obtaining utility eligible customer lists
- Provide boundary verification services
- Draft, print, docket with the PUCO and mail approved opt-out notices
- Provide billing services through the local distribution utility using their own proprietary billing system
- Maintain a system for tracking and responding to customer inquiries and complaints
- Provide other services necessary to comply with provisions of Section 4929.22 of the Ohio Revised Code and in Chapter 4901:1-29 of the Ohio Administrative Code

As a Certified Gas Aggregator, Constellation (and/or its predecessors) has over 13 years of experience in providing the aforementioned services to governmental aggregators in the State of Ohio as well as providing Customer Choice programs to all four deregulated gas utilities throughout the State. Constellation’s ability to successfully serve as a CRNGS provider is amply demonstrated through their past and current performance as a natural gas provider. Their efforts comply with all of the requirements of Commission rules adopted pursuant to the Ohio Revised Code and include such activities as customer enrollment methods, customer service activities and response to customer concerns.

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

**Commission of Ohio Docketing Information System on**

**4/9/2015 3:10:53 PM**

**in**

**Case No(s). 09-0388-GA-GAG**

Summary: Application for recertification as a governmental aggregator electronically filed by Ms. Julia D Hall on behalf of City of Reading