DP&L | Energy

April __, 2013

Village of New Paris has arranged a lower, fixed price for electric supply

Dear New Paris Business,

Voters in New Paris approved a governmental aggregation program in 2011 to bring citizens together as a buying group and lower the cost of electricity. Through governmental aggregation, savings are made possible through a retail electric supplier certified by the Public Utilities Commission of Ohio, which provides the generation and transmission service of your electricity (the largest portion of your electric bill). **Your local utility, Dayton Power & Light, continues to handle the distribution of the power to your home, restores power after outages and maintains your lines.**

It's Smart.

After researching competitive electricity pricing options, New Paris selected DPL Energy to provide you with savings on your electric generation through March, 2015. DPL Energy is an Ohio-based company. There is no cost for enrollment, and you will not be charged a switching fee.

It's Fair.

As a member of the aggregation group, your price will be 6.56 cents per kilowatt-hour for commercial accounts. You will begin to see savings from DPL Energy after your enrollment has been accepted in approximately 30 to 45 days, depending on when Dayton Power & Light reads your meter. You will continue to receive a single, easy-to-read bill from Dayton Power & Light with your DPL Energy charges included.

Participation in the aggregation program is voluntary. No action is needed if you would like to be included in the savings offered through your community program; however, if you wish to be excluded from the discounted rate, you must return the enclosed opt out form by May 14, 2013. If you do not opt-out at this time, you will receive a notice at least every three years asking if you wish to remain in the program.

It's Simple.

Dayton Power & Light will send you a letter confirming your selection of DPL Energy as your electric generation provider and grant you seven days from the postmark date to cancel your contract with DPL Energy. Enclosed is a sample copy of the utility letter. To remain in the New Paris electric governmental aggregation program and ensure your savings, you do not have to take any action when this letter arrives—it serves as your confirmation that you are successfully enrolled for savings!

If you have any questions, please call DPL Energy at 1-800-319-1324 Monday through Friday, 8 a.m. to 5 p.m.

Regards,

The Village of New Paris Local Officials

DP&L | Energy

Opt-Out Form – New Paris Electric Governmental Aggregation Program

Option 1 – Do nothing and save. If you want to participate in the aggregation program and save, you do not need to return this form. Your enrollment is automatic.	OR	**Option 2 – Opt out by returning this form.** If you do not want to participate in this program, you must mail this form before May 14, 2013.

By returning this signed form, you will be **EXCLUDED** from the New Paris Electric Governmental Aggregation Program.

☐ I wish to opt out of the Village of New Paris Aggregation Program. (Check to opt out.)

Service Address (City, state and zip): ____________________

10 Digit Account Number: ____________________ Phone No.: ____________________

Account Holder's Signature: ____________________ Date: ____________________

Mail the completed form by May 14, 2013 to:
New Paris Electric Aggregation Program, DPL Energy, 1065 Woodman Dr., Dayton, OH 45432

This is sample of the letter you will receive from your utility that confirms you are switching to the lower priced aggregation program with The Village of New Paris

DP&L

03/05/2013

Account:
Service Address:

Dear Customer:

This letter confirms that a request has been received to change your electric supplier under DP&L's Electric Choice Program. This change will be effective with the scheduled meter reading on ________. Under this program you will purchase your electric generation and transmission from DPL ENERGY RESOURCES INC and DP&L will continue to deliver the energy through facilities owned and serviced by DP&L.

Please verify the accuracy of the new supplier information. If this information is correct you do not need to call us, we will change your account as indicated above. If you do not want to make this change to a new supplier, contact our office at 331-3500 or 1 (800) 929-8646 by ________.

It is important that DP&L obtain an actual meter reading prior to changing your supplier to ensure the change is based on an actual reading rather than estimated usage. A representative is scheduled to read the meter on ________.

This change in your electric service will first be reflected on the DP&L bill mailed to you on or after ________. Under the Electric Choice program, your monthly DP&L bill will contain DP&L electric distribution service charges and your electric supplier charges. We hope you are pleased with your Electric Choice program and your supplier of choice. As always, DP&L will continue to read your meter and provide you with the same quality service you now enjoy. Please call 331-3500 or 1 (800) 929-9646 if you have any questions.

The Dayton Power and Light Company

Residential and Commercial Terms and Conditions of Service

These Terms and Conditions together with the enrollment information and opt-out notification are your agreement for electric generation service ("Agreement") with **DPL Energy Resources, Inc.** ("DPLER"), a subsidiary of DPL Inc. ("DPL") located at 1065 Woodman Drive, Dayton, Ohio 45432. "We", "us" or "our" refers to DPLER, and "you" or "your" refers to the Customer. "Utility" refers to The Dayton Power and Light Company ("DP&L"). DPLER is an affiliate of DP&L. This Agreement is entered into subject to the Master Agreement between DPLER and the village of New Paris ("Community") dated December 28, 2011. In the event of any inconsistency between the Terms and Conditions of this Agreement and the Master Agreement, the Master Agreement shall control. Please keep a copy of this Agreement for your records.

1. Eligibility - This Agreement is available to Customers located in the Community receiving service under DP&L residential rates (Residential Customers) who do not participate in the Percentage of Income Payment Plan and/or non-residential customers with annual usage requirements less than 700,000 kWh (Commercial Customers). If you are a Commercial Customer and your maximum annual peak demand on any account is now or subsequently increases to equal or exceed 100 kW based on the most recent twelve months, we may serve or continue to serve you under this Agreement provided you agree to the installation of an interval meter and you comply with the requirements of Section 17 of this Agreement.

2. Nature of the Services - Upon execution of this Agreement, DPLER agrees to provide electric generation supply, which currently includes electric energy, ancillary services, capacity, transmission, alternate and renewable energy resources, and any other product or service required by a competitive retail electric supplier ("Service") to meet the Customer's full usage requirements for electric supply during the term of this Agreement. In return, the Customer agrees to receive and pay for that Service. DPLER's provision of the Service herein is subject only to Force Majeure. The term "Force Majeure" shall mean the occurrence or non-occurrence of any act or event that is not reasonably within the control of the claiming Party and which, by the exercise of reasonable due diligence, such Party could not have prevented or overcome. Examples of such causes include, but are not limited to, (a) acts of God or of the public enemy, (b) fires, (c) floods, (d) epidemics, (e) acts of a state or federal regulating authority, or (f) other similar acts or occurrences

3. Term – As a part of your Community's program, your Service from DPLER will commence with the next available meter reading and after processing of the enrollment by your Utility, and will continue for the term as specified in the opt-out notification.

4. Price – The price to Customer for Service received under this Agreement shall be **$0.06560 per kilowatt-hour**.

5. Right to Rescind. If you do not opt out and are enrolled to receive Service from DPLER, you can rescind your acceptance of this Agreement with no penalty within seven (7) calendar days from the postmark date on the confirmation notice that will be sent to you by the Utility by following the instructions in the confirmation notice. Cancellations may be made to the Utility by telephone.

6. Billing and Payments – For each account, you will receive one monthly bill from the Utility with its charges and our charges, and you will continue to pay your bill following the Utility's billing and payment policies. The Utility's charges include distribution (delivery) service and all non-bypassable charges of the Utility that are approved by the Public Utilities Commission of Ohio (PUCO). If you have any questions regarding the Utility charges, please contact them directly at 1-800-433-8500. Failure to pay your Utility charges may result in disconnection as provided for in the Utility's tariff. We currently do not offer budget billing or summary billing for Service under this Agreement. If you do not pay your bill on time, you may incur late fees or automatically be returned to Utility's standard offer service. You may also forfeit your ability to choose another electric generation provider until arrearages are paid. We may cancel this Agreement upon fourteen (14) days written notice for non-payment.

7. Actions of Governmental and Regulated Entities – If action is taken by the Utility, applicable regional transmission organization, transmission provider, or any federal, state or local governmental authorities which materially changes the amounts charged by such entities to us or charged by such entities to our wholesale supplier and charged to us, or which materially changes the manner in which we provide Service to you, we may, in our sole discretion, elect to adjust the price for Service under this Agreement to account for any such cost increases or material changes in Service.

8. Environmental Disclosure - Our environmental disclosure information is provided with this Agreement and is shown at our website. The specific web address is: www.dplenergy.com/env-disclosure.pdf. You agree that we may make required quarterly updates electronically at our website. We will also provide the information to you at no charge upon request.

9. Contacting Us - You can reach us:
   - **By mail** at 1065 Woodman Drive, Dayton, Ohio 45432;

- **By telephone** toll free
  - Residential 1-800-319-1356
  - Commercial 1-800-319-1324
- **Internet**: www.dplenergy.com

Our business hours are 8:00 AM to 5:00 PM Eastern Time, Monday through Friday.

10. Questions and Disputes - If you have a complaint that is not resolved after you have called us and/or your electric Utility, or for general utility information you may contact the PUCO for assistance toll-free at 1-800-686-7826, or for TDD/TTY toll-free at 1-800-686-1570, from 8 AM to 5 PM, Monday through Friday, or at www.PUCO.ohio.gov. Residential Customers may also contact the Ohio Consumers' Counsel for assistance with the complaints and Utility issues at 1-877-742-5622 (toll free) from 8:00 AM – 5:00 PM EST weekdays, or www.pickocc.org.

11. Access to and Release of your Information - You agree that the Utility may provide us with any information we need to help us serve you, including your meter readings, billing records, consumption records, and projections. You also agree that we may provide Utility with a copy of this Agreement, and you authorize the Utility to treat a copy of this Agreement as the original during the term. We will not release your account number or social security number without your written consent, except for our own credit and collection purposes, for permitted assignments of this Agreement or as otherwise required by law. This Agreement shall be considered executed by DPLER following the end of the 21-day opt-out period, the end of the 7 day rescission period and subsequent acceptance of the enrollment by your Utility.

12. Opt-Out - At least every three years you will be given the opportunity to opt-out of your Community's aggregation program at no cost. You are responsible for arranging your electric supply upon expiration or termination of this Agreement.

13. Miscellaneous - You have the right to request your Service payment history from us twice within a 12 month period for up to the 24 month period predating the request without charge. If you switch back to the Utility you may not be served at the same rates, terms and conditions as other Utility customers. You are solely responsible for any contract termination fees or damages assessed by any other competitive retail electric supplier.

14. Termination by Customer - You may terminate this Agreement without penalty if you move outside the area we are certified to serve or where we charge a different price. During the initial term or any renewal term, you may terminate this Agreement at any time upon payment of an early termination fee equal to:
    - Residential Accounts: $150
    - Commercial Accounts: 1.5 cents per kWh multiplied by your average monthly usage over the past 12 months, multiplied by the greater of 3 months or the number of months remaining in the initial term or renewal term, as applicable.

15. Successors and Assigns – We may assign this Agreement to an affiliate or third party, in whole or in part, and will provide you with forty-five (45) days written notice of any assignment.

16. LIMITATION OF REMEDIES, LIABILITY AND DAMAGES - THE REMEDY IN' ANY CLAIM OR SUIT BY YOU AGAINST US WILL BE LIMITED TO THE LESSER OF THE DIRECT ACTUAL DAMAGES, OR THE AMOUNT PAID TO US UNDER THIS AGREEMENT FOR THE SIX MONTH PERIOD PRIOR TO THE OCCURRENCE THAT GAVE RISE TO SUCH CLAIM.

17. Interval Meter – If you are a Commercial Customer for Service to any account(s) with maximum peak demand that is or subsequently increases to be greater than or equal to 100kW for the most recent twelve month period, Interval Meters are required. DPLER will pay to the Utility the charges for the required interval metering. In the event that Customer elects, or is required, to receive generation service from any entity other than DPLER, its successor or assignee, including Customer's return to the Utility's Standard Service Offer, DPLER, its successor or assignee may require Customer to reimburse it for the amount paid to the Utility for the interval meter and its installation. Interval metered customers are required, by the Utility tariff, to install a dedicated telephone line to the interval meter. Customer is entirely responsible for the telephone line installation and any ongoing or extraordinary costs related thereto.

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Information You Should Know About Electric Aggregation in New Paris

Q. What is governmental aggregation of electricity?

Ohio's laws allow for communities – such as townships, cities and counties – to form aggregated buying groups on behalf of their citizens. Savings are possible through governmental aggregation, where community officials bring together residential and small commercial customers to gain group buying power for the purchase of electricity from a retail electric generation provider. On the November 8, 2011 ballot, voters in the Village of New Paris authorized the community leaders to establish a government aggregation program for the village.

Q. What if I don't want to participate?

Since all eligible residential and small commercial customers are automatically enrolled in the governmental aggregation program, those customers who do not want to participate are given the opportunity to opt out. By returning an opt-out form by the due date, citizens can choose not to be enrolled as an electric generation customer of the community's competitive electric generation supplier.

Q. What will my rate be under the aggregation program?

The village of New Paris has negotiated a three year fixed rate of $.06560/kWh with DPL Energy for all residential customers and commercial customers with annual usage under 700,000 kWh. To estimate your month's savings associated with this program, multiply your typical monthly usage against the difference between $.06560 and the "Price to Compare" identified on your utility invoice. The "Price to Compare" is the portion of your total electric bill associated with your generation charges and changes based on your utility's rates.

Q. How will billing be handled?

You will receive one bill from Dayton Power & Light (the utility) that contains your charges for distribution and maintenance service from the utility as well as DPL Energy's charges for generation and transmission. Please be aware that a residential customer with at least 7 months of usage that participates in the utility's budget biling program will automatically be enrolled in DPL Energy's budget billing program. Your budget bill amount will be calculated based on your historic usage and will be trued up with your August meter reading. Budget billing is not available under this program for non-residential accounts.

Q. Who do I call if I have a problem with my electric service?

If you have an outage, see fallen power lines, or require emergency repairs, you will continue to contact Dayton Power & Light at 877-4OUTAGE (877-468-8243).

Q. Is DPL Energy the same as Dayton Power & Light?

No. They are separate, but affiliated companies. DPL Energy and Dayton Power & Light are both owned by the same parent company, DPL Inc. **DPL Energy** is a competitive retail supplier of electricity and has been helping customers save money on their energy costs since 2001. DPL Energy sells electricity to customers at market-based prices rather than the regulated prices offered by utilities. **The Dayton Power & Light Company** is an electric utility regulated by the Public Utilities Commission of Ohio. Although DPL Energy and Dayton Power & Light are affiliated, they are operated independently per the rules and regulations of the Public Utilities Commission of Ohio.

Q. Are there any additional benefits for the Village of New Paris?

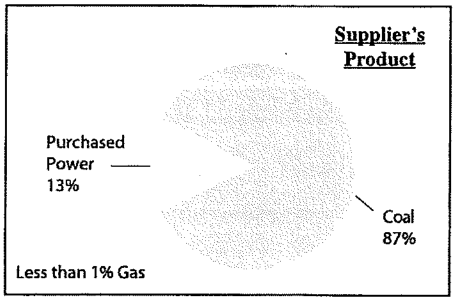
Yes, the Village's Street Lighting service (which is currently made available by a different DPL Inc. subsidiary, Miami Valley Lighting) is being bundled with the electric supply agreement, and you will be charged one rate to reflect both services. This will resolve the village's street lighting issue and keep the lights on in New Paris.

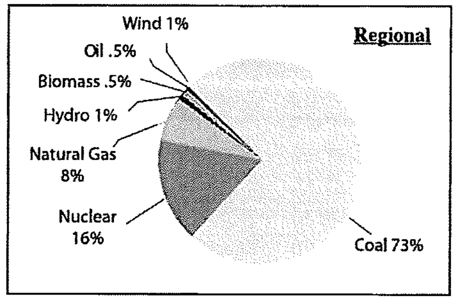
Q. What is the toll-free number for questions?

If you have any questions, please call DPL Energy Monday through Friday between 8am-5pm; Residential – 1-800-319-1356 OR Commercial – 1-800-319-1324

Environmental Disclosure Information
Dayton Power and Light
Projected Data for the 2013 Calendar Year

Generation Resource Mix-
A comparison between the sources of generation used to produce this product and the historic regional average supply mix.

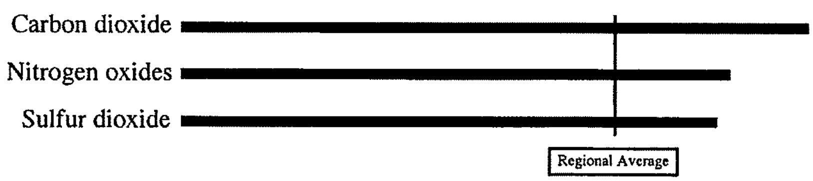




Environmental Characteristics-
A description of the characteristics associated with each possible generation resource.

Biomass Power	Air Emissions and Solid Waste
Coal Power	Air Emissions and Solid Waste
Hydro Power	Wildlife Impacts
Natural Gas Power	Air Emissions and Solid Waste
Nuclear Power	Radioactive Waste
Oil Power	Air Emissions and Solid Waste
Other Sources	Unknown Impacts
Solar Power	No Significant Impacts
Unknown Purchased Resources	Unknown Impacts
Wind Power	Wildlife Impacts

Air Emissions-
A comparison between the air emissions related to this product and the regional average air emissions.



Radioactive Waste-
Radioactive waste associated with the product.

Type:	Quantity:	
High-Level Radioactive Waste	0	Lbs/1,000 kWh
Low-Level Radioactive Waste	0	Ft^3/1,000 kWh

Note: The generation of this product involves the use of 13% of unknown purchased resources. The air emissions and radioactive waste associated with these unknown resources are not included in these charts.

With in-depth analysis, the environmental characteristics of any form of electric generation will reveal benefits as well as costs. For further information, contact Dayton Power and Light at www.dpandl.com or by phone at 800-433-8500.

DP&L's practice is to meet or exceed all environmental regulations.

Regional Average Air Emmision rates: sulfur dioxide-5.6 Lbs/MWh, nitrogen oxide-1.7 Lbs/MWh and carbon dioxide-1685 Lbs/MWh.