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## PUCC

July 6, 2007

Mrs. Betty McCauley Acting Secretary The Public Utilities Commission of Ohio 180 East Broad Street 13<sup>th</sup> Floor Columbus, OH 43266-0573

Re: In the Matter of the Application of the City of Clyde, Ohio for Re-Certification as a Governmental Aggregator Case No. 03-1567-GA-GAG

Dear Mrs. McCauley:

Enclosed please find the City of Clydes' completed **RE-CERTIFICATION APPLICATION FOR GOVERNMENTAL AGGREGATORS**. We have enclosed an original application, notarized and signed by an authorized official and ten conformed copies, including all exhibits, and other attachments.

The material provided includes the following:

- 1) Authorizing ordinance reflecting voter authorization;
- 2) Plan of Operation and Governance;
- 3) Copy of Automatic Aggregation Disclosures;
- 4) Copy of Opt-out Notification;
- 5) Experience statement

Should you have any questions or need additional information, please contact our aggregation program manager, Terry Leach of AMPO, Inc., at tleach@amp-ohio.org.

Respectfully submitted,

Daniel E. Weav

City Manager

This is to certify that the images appearing are an accurate and complete reproduction of a case file document delivered in the regular course of business. Technician  $\underline{SM}$  Date Processed  $\underline{71607}$ 



Date Received	<b>Renewal</b> Certification	ORIGINAL GAG		
	Number	Case Number		
		03 - 1567 - 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, 13th Floor, 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 Address	City of Clyde 222 North Main Street, Clyde, Ohio 43410				
	Telephone No.	419-547-6898		Web site address	www.clydeohi	o.org
	Current PUCO Co	ertificate Number	03-060(2)	Effect	tive Dates	8/16/2005 - 8/16/2007
A-2	Contact perso	n for regulator	ry or emergen	cy matters:		
	Name Dan	Weaver		Title	City Manager	
	Business Address	222 M	Iorth Main Street	, Clyde, Ohio 43410		
	Telephone No.	419-547-6898	Fax No. 4	19-547-6626	Email Address	dweaver@clydeohlo.org
A-3	Contact perso	n for Commiss	sion Staff use	in investigating	customer comp	olaints:
	Name Dan W	eaver		Title	City Manag	ger
	Business address	222 North Main S	treet, Clyde, Ohic	43410		
	Telephone No.	419-547-6898	Fax No.	419-547- <del>66</del> 26	Email Address	dweaver@clydeohio.org
A-4	Applicant's ad	ldress and toll	free number	for customer se	rvice and comp	laints:
	Customer service	address 2	22 North Main Str	reet, Cl <b>yde</b> , Ohio 434	410	

419-547-6898 419-547-6626 dweaver@clydeohio.org Toll-Free Telephone No. Email Address Fax No.

(Ohio Natural Gas Governmental Aggregator Renewal) Page 1 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.
- Exhibit B-2 "Operation and Governance Plan," provide a copy of the applicant's plan for operation **B-2** 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.
- Exhibit B-3 "Automatic Aggregation Disclosure Notification," if the aggregation program provides **B-3** 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** 

Jeans, alg IT Hund 21

Sworn and subscribed before me this

Signature of official administering oath

**Print Name and Title** 

My commission expires on

Sharon S. Smith Notary Public, Sate of Ohio My Commission Expires May 7, 2011



## The Public Utilities Commission of Ohio

Ohio Natural Gas Governmental Aggregation Affidavit Form (Version 1.07)

In the Matter of the Application of	)
City of Clyde	)
for a Certificate or Renewal Certificate to Provide	ń
Natural Gas Governmental Aggregation Service in Ohio.	)

Case No.

03-1567 -GA-GAG

County of Sandusky State of Ohio

**Daniel Weaver** 

[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.

Month 2007 Year Affiant Signature & Title Sworn and subscribed before me this 🤇 day of

Signature of Official Administering Oath

Print Name and Title

My commission expires on

Sharon S. Smith Notary Public, Sate of Ohio My Commission Expires May 7, 2011

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

EXHIBIT B-1

# **AUTHORIZING ORDINANCE**

### 2003 -ORDINANCE NO. \_\_\_\_\_()\_\_\_

## AN ORDINANCE TO FACILITATE COMPETITIVE RETAIL NATURAL GAS SERVICE TO PROMOTE NATURAL GAS SAVINGS, LOWER COST NATURAL GAS SUPPLIES AND OTHER BENEFITS FOR CERTAIN NATURAL GAS CONSUMERS, AUTHORIZING ALL ACTIONS NECESSARY TO EFFECT AN OPT-OUT NATURAL GAS AGGREGATION PROGRAM PURSUANT TO SECTION 4929.26 OF THE OHIO REVISED CODE AND ARTICLE XVIII SECTION 4 OF THE OHIO CONSTITUTION; DIRECTING THE SANDUSKY COUNTY BOARD OF ELECTIONS TO SUBMIT A BALLOT QUESTION TO THE ELECTORS; AUTHORIZING AN AGREEMENT WITH AMPO,INC. FOR SUCH PURPOSES; AND DECLARING AN EMERGENCY.

Whereas, Article XVIII Section 4 of the Ohio Constitution grants the City of Clyde (the "Municipality") certain authority related to utility service; and

Whereas, pursuant to Chapter 4929 of the Ohio Revised Code, to facilitate competitive retail natural gas service to promote natural gas savings, lower cost natural gas supplies, and other benefits, certain governmental entities may aggregate certain natural gas consumers within their jurisdiction; and

Whereas, pursuant to Section 4929.26, Revised Code, the Municipality is authorized to establish an opt-out natural gas aggregation program ("Gas Aggregation") for the benefit of certain natural gas consumers within the Municipality so that the consumers may realize lower cost natural gas supplies and other benefits from the aggregation and collective purchasing of natural gas supplies; and

Whereas, Gas Aggregation provides an opportunity for natural gas consumers collectively to realize natural gas savings, lower cost natural gas supplies, and other benefits that the consumers may not otherwise be able to realize individually; and

Whereas, the Municipality desires to submit to the electors of the Municipality the question of whether the Municipality should create a Gas Aggregation program to facilitate

competitive retail natural gas service to promote natural gas savings, lower cost natural gas supplies, and other benefits in accordance with Section 4929.26, Revised Code; and

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Whereas, this Ordinance constitutes an emergency measure providing for the immediate preservation of the public peace, property, health, or safety, in that opportunities to coordinate aggregation activities with certain suppliers of natural gas may become limited; and

Whereas, the Municipality has adopted this Ordinance pursuant to the authority conferred by Article XVIII Section 4 of the Ohio Constitution and Section 4929.26, Revised Code; and

Now, Therefore, Be It Ordained by the Council of the City of Clyde that:

Section 1. This Council finds and determines that to facilitate competitive retail natural gas service to promote natural gas savings, lower cost natural gas supplies, and other benefits, it is in the best interest of the Municipality and certain natural gas consumers within the jurisdiction of the Municipality to establish an opt-out natural Gas Aggregation program in the Municipality pursuant to Section 4929.26, Revised Code. Provided that this Ordinance and the Gas Aggregation program is approved by the electors of the Municipality in accordance with this Ordinance, the Municipality is hereby authorized to take all actions necessary to affect a Gas Aggregation program pursuant to Section 4929.26, Revised Code. The Municipality may exercise this authority jointly with other entities to the full extent permitted by law, and for such purposes, the <u>City Manager</u> of the Municipality is hereby authorized to execute and deliver an agreement with AMPO. Inc. to assist the Municipality as its consultant and agent to effect the Gas Aggregation program. Actions necessary to effect the Gas Aggregation program into service agreement(s) with natural gas suppliers to facilitate the sale and purchase of all natural gas commodity and services to serve the enrolled natural gas

consumers. The Municipality shall be authorized by the electors to be the only entity authorized to act for and on behalf of the enrolled natural gas consumers to determine and select the natural gas supplier(s) to provide the commodity and all other services for the Gas Aggregation program and the enrolled consumers.

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Section 2. The Gas Aggregation program shall not apply to persons meeting any of the following criteria, as more specifically described in Section 4929.26(A)(2), Revised Code: (i) the person is both a distribution service customer and a mercantile customer, (ii) the person has an existing commodity sales service contract with a retail natural gas supplier, (iii) the person has an existing commodity sales service as part of a retail natural gas aggregation pursuant to Rules and Orders of the Public Utilities Commission of Ohio ("Commission"), or (iv) such other persons that are not eligible pursuant to Rules and Orders of the Commission or the plan of operations and governance (the "Plan") for the Gas Aggregation program.

Section 3. The Board of Elections of Sandusky County is hereby directed to submit the following question to the electors of the Municipality at the primary election on May 6, 2003:

To facilitate competitive retail natural gas service to promote natural gas savings, lower cost natural gas supplies, and other benefits, shall the City of Clyde have the authority to aggregate retail natural gas loads located in the City of Clyde and enter into service agreements for the sale and purchase of natural gas commodity and other services, such aggregation to occur automatically, except where any person affirmatively elects not to be so enrolled by a stated procedure?

FOR, the City of Clyde to facilitate competitive retail natural gas service to promote natural gas savings and other benefits by acting as an aggregator.

NOT FOR, the City of Clyde to facilitate competitive retail natural gas service to promote natural gas savings and other benefits by acting as an aggregator.

The Clerk of this Council is instructed to file a certified copy of this Ordinance and the proposed form of the ballot question with the Sandusky County Board of Elections not later than February 20, 2003, which is seventy-five (75) days prior to May 6, 2003. The Gas Aggregation program

shall not take effect unless approved by a majority of the electors voting upon the proposed ballot question at the election held in accordance with this Ordinance and Sections 4929.26, Revised Code. Upon approval, the Gas Aggregation shall take effect at the earliest permissible point in time and continue thereafter in accordance with Section 4929.26, Revised Code, and other requirements of Chapter 4929, Revised Code.

Upon approval by a majority of the electors voting at the election provided Section 4. for in this Ordinance, the Municipality shall develop and adopt a Plan of operations and governance for the Gas Aggregation program. Consumers enrolled in the Gas Aggregation program shall be supplied their natural gas requirements and other services in accordance with supply agreement(s) determined and arranged by the Municipality, as opportunities become available to provide benefits on behalf of the natural gas consumers enrolled in the Gas Aggregation program and the consumers located within the jurisdiction of the Municipality. The Municipality shall be authorized by the electors to be the only entity authorized to act for and on behalf of the natural gas consumers that have enrolled in the Gas Aggregation program to determine and select the natural gas supplier(s) to provide the commodity and all other services for the Gas Aggregation program and the enrolled consumers. Before adopting such Plan, at least two public hearings on the Plan shall be held. Before the first hearing, notice of the first hearing shall be published once a week for two consecutive weeks in a newspaper of general circulation in the Municipality. The notice shall summarize the Plan and state the date, time, and location of each hearing.

Section 5. The adopted Plan shall not aggregate any retail natural gas load within the Municipality, unless the person whose retail natural gas load is to be so aggregated is notified in advance that the person will be enrolled automatically in the Gas Aggregation program and shall

remain so enrolled, unless the person affirmatively elects not to be so enrolled by a stated procedure. The disclosure shall state the rates, charges, and other terms and conditions of the enrollment. Once enrolled the consumer may only opt-out of the Gas Aggregation program every two years without paying a switching fee. Any such person that opts-out of the Gas Aggregation program 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 6. That the Sandusky County Board of Elections shall cause an appropriate notice to be duly given of the election to be held on May 6, 2003 on the foregoing proposal and otherwise to provide for such election in the manner provided by the laws of the State of Ohio.

Section 7. This Council finds and determines that all formal actions of this Council concerning and relating to the adoption of this Ordinance were taken in an open meeting of this Council and that all deliberations of this Council and any of its committees that resulted in those formal action were in compliance with the Law.

Section 8. That this Ordinance is hereby declared to be an emergency measure, and provided it receives the affirmative vote of  $\underline{a \text{ majority}}_{t}$  of all the members elected to Council, it shall take effect and be in force immediately and continuing thereafter upon its passage and approval by the Mayor, otherwise, it shall take effect and be in force from and continuing thereafter upon the earliest time allowed by law.

PASSED: 2-4-03

Daniel R. Giebel, Mayor

Jami Storibauer

APP**BO**VED AS TO PORM: Barry W. Boya, Solicitor

Ordinance No. 2003-\_\_\_\_ Page 5 of 5 EXHIBIT B-2

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# OPERATION AND GOVERNANCE PLAN

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### ORDINANCE NO. 2003-<u>55</u>

## AN ORDINANCE TO APPROVE THE PLAN OF OPERATION AND GOVERNANCE FOR THE CITY OF CLYDE'S NATURAL GAS AGGREGATION PROGRAM AND DECLARE AN EMERGENCY.

WHEREAS, pursuant to Chapter 4929 of the Ohio Revised Code, to facilitate competitive retail natural gas service to promote natural gas savings, lower cost natural gas supplies, and other benefits, certain governmental entities may aggregate certain natural gas consumers within their jurisdiction; and

WHEREAS, on May 6, 2003, the electors of the City of Clyde approved of the City's plan to create an aggregation program for customers located within the boundaries of the City; and

WHEREAS, Revised Code 4929.26(C) requires a governmental entity interested in the automatic registration of customers under governmental aggregation, subject to customer rights to "opt-out" of such an aggregation, to adopt a plan of operation and governance for its aggregation program; now, therefore,

### **BE IT ORDAINED BY THE COUNCIL OF THE CITY OF CLYDE:**

**SECTION 1.** That this Council hereby adopts the City of Clyde Plan of Operation and Governance, (attached hereto and incorporated herein by reference as Exhibit A) for the implementation and administration of the City's municipal gas aggregation program in accordance with Revised Code 4929.26(C).

**SECTION 2.** That this Council finds and determines that all formal actions of this Council concerning and relating to the adoption of this Ordinance were taken in an open meeting of this Council and that all deliberations of this Council and any of its committees that resulted in those formal actions were in compliance with the Law.

**SECTION 3.** That this Ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public health, welfare and safety of the residents of the City of Clyde, and for further reason that passage of this

Emergency Ordinance No. 2003-55 Page 1 of 14 Ordinance will expedite the PUCO approval and allow Clyde to commence with negotiations with gas suppliers before the winter season; wherefore this Ordinance shall take effect and be in full force immediately upon its passage, and that the City of Clyde's aggregation program shall commence in accordance with the adopted Plan of Operation and Governance that has been established pursuant to Revised Code Chapter 4929.

PASSED: 7-1-03

Daniel R. Giebel, Mayor

ATTEST amisteribare Clerk of Council

APPROVED AS TO FORM:

Barry W. Bova, Solicitor

I, <u>Tami Steinbauer</u>, Clerk of Council of the City of Clyde, do hereby certify that the foregoing is a true and correct copy of Ordinance No. <u>2003-55</u> passed by the Council of the City of Clyde, on July 1, 2003; EFFECTIVE WITNESS my hand and seal at Clyde, Ohio, this <u>15+</u> day of <u>1014</u>, 2003.

am Steinsballer Tami Steinbauer

Tami Steinbauer Clerk of Council

Emergency Ordinance No. <u>55</u> Page 2 of 14

### ORDINANCE NO. 2005-<u>37</u>

## AN ORDINANCE TO APPROVE THE PLAN OF OPERATION AND GOVERNANCE FOR THE CITY OF CLYDE'S NATURAL GAS AGGREGATION PROGRAM.

WHEREAS, pursuant to Chapter 4929 of the Ohio Revised Code, to facilitate competitive retail natural gas service to promote natural gas savings, lower cost natural gas supplies, and other benefits, certain governmental entities may aggregate certain natural gas consumers within their jurisdiction; and

WHEREAS, on May 6, 2003, the electors of the City of Clyde approved of the City's plan to create an aggregation program for customers located within the boundaries of the City; and

WHEREAS, Revised Code 4929.26(C) requires a governmental entity interested in the automatic registration of customers under governmental aggregation, subject to customer rights to "opt-out" of such an aggregation, to adopt a plan of operation and governance for its aggregation program; now, therefore,

### **BE IT ORDAINED BY THE COUNCIL OF THE CITY OF CLYDE:**

**SECTION 1.** That this Council hereby adopts the City of Clyde Plan of Operation and Governance, (attached hereto and incorporated herein by reference as Exhibit A) for the implementation and administration of the City's municipal gas aggregation program in accordance with Revised Code 4929.26(C).

**SECTION 2.** That this Council finds and determines that all formal actions of this Council concerning and relating to the adoption of this Ordinance were taken in an open meeting of this Council and that all deliberations of this Council and any of its committees that resulted in those formal actions were in compliance with the Law.

Ordinance No.<u>2005-3</u>7 Page 1 of 13

That this Ordinance shall take effect and be in force from and SECTION 3. after its passage at the earliest period allowed by law.

PASSED: 4/19/05

Nina Pascua, Mayor

ATTEST: James Steinballer Clerk of Council

APPROVED AS TO FORM:

Barry W. Bova, Solicitor

April\_, 2005.

I, Tami Stein bauer, Clerk of Council of the City of Clyde, do hereby certify that the foregoing is a true and correct copy of Ordinance No. 2005-37 passed by the Council of the City of Clyde, on ADD' 19, 2005; EFFECTIVE WITNESS my hand and seal at Clyde, Ohio, this 19th day of

Jam Steinbauer

Tami Steinbauer **Clerk of Council** 

Drdinance No. <u>2005-37</u> Page 2 of 13

## EXHIBIT A PROPOSED PLAN OF OPERATION AND GOVERNANCE FOR MUNICIPAL GAS AGGREGATION

### <u>Overview</u>

At the May 6, 2003 general election, local residents authorized the City of Clyde (the City) to create a municipal opt-out natural gas aggregation program (the Aggregation Program) in compliance with Section 4929.26 of the Ohio Revised Code. Under the opt-out natural gas aggregation program, all eligible natural gas consumers within the City's corporation limits will be automatically included in the Aggregation Program initially. However, all consumers will also be given the opportunity to opt-out or decline participation in the Aggregation Program as detailed herein.

The City's purpose in creating the Aggregation Program is to represent local consumer interests in emerging competitive natural gas markets by aggregating natural gas loads within the City's corporation limits (including municipal facilities) and negotiating affordable, reliable natural gas supplies and other related services on behalf of local consumers. The City may pursue this purpose individually or in cooperation with other entities.

Many small commercial and residential natural gas consumers lack the leverage to effectively negotiate natural gas supply rates and services. A governmental aggregation program provides them with an option for professional representation and the bargaining power of a larger, more diverse consumer group that may be more attractive to suppliers, allowing them to effectively participate in the competitive process and achieve benefits.

## **<u>1.</u>** Description of Services

The Aggregation Program is designed to reduce the amount a consumer pays for natural gas energy, and to gain other favorable economic and non-economic terms in service contracts. The City will not buy and resell natural gas, but will represent collective consumer interests to set terms and conditions for service. Through a negotiation process, the City will develop a contract with a Competitive Retail Natural Gas Services Provider (CRNGS Provider) or Providers for firm all-requirements natural gas service. Once the contract has been finalized, it will be submitted to the Clyde City Council for approval.

The Aggregation Program covers the natural gas supply portion only of a participant's natural gas bill. Columbia Gas of Ohio (COH) will continue to deliver natural gas to Aggregation Program participants' homes and businesses through its natural gas distribution system as a monopoly function regulated by the Public Utilities Commission

<sup>7</sup> Ordinance No. <u>2005-3</u>7 Page 3 of 13 of Ohio (PUCO). COH will also continue to install, operate and maintain its system of pipelines, Rights of Way, meters and other natural gas distribution components. Aggregation Program participants should continue to call COH if their natural gas is interrupted or if they have billing questions. The PUCO will continue to oversee COH natural gas safety and reliability service standards.

Oversight of the Aggregation Program will be the responsibility of the City Manager, who shall report to City Council. The City Manager, subject to City Council approval, will have the authority to develop specifications for the Aggregation Program, to appoint an Aggregation Program Manager, and to select, hire and manage the CRNGS Provider. The CRNGS Provider and the Aggregation Program Manager will work under the direction of the City Manager with the advice from the Clyde City Solicitor.

Due to the complexity of the natural gas utility industry and the uncertainties of its associated restructuring activities, the City of Clyde may contract with a consultant or consultants to provide the necessary expertise to represent the City's interest in legislative and regulatory matters and/or to serve as the Aggregation Program Manager. Such services may include, but are not limited to, facilitating consumer enrollment and opt-out, assisting with consumer education, addressing consumer questions and concerns, providing reports on program operation, enrollment and savings, negotiating future CRNGS Provider contracts, and representing the City in dealings with CRNGS Providers, COH, the Ohio Legislature, the PUCO and the Ohio Consumer's Counsel (OCC).

The City deems any and all information related to an eligible customer to be confidential and proprietary trade secret information. The CRNGS Provider shall keep all eligible customer information provided to it by the City or COH in supplying eligible customers within the City's corporation limit confidential and shall not disclose such information to any third party, unless such disclosure is required to serve any eligible customer, the third party agrees to keep such eligible eustomer information confidential, and the City consents to the disclosure of such information to the third party.

The City will require any CRNGS Provider to disclose any subcontractors that it uses in fulfillment of the services described herein.

The CRNGS Provider will provide a local or toll free telephone number for participant questions and concerns about enrollment, opt-out provisions, billing and other Aggregation Program issues.

The CRNGS Provider will develop internal controls and processes to help ensure that the City remains in good standing as a governmental aggregator that complies with all laws, rules and regulations regarding the same as they may be periodically amended.

> Ordinance No. <u>2005-37</u> Page 4 of 13

Natural gas service reliability is an essential to Aggregation Program participants. The City will strive to provide high-quality service and reliability through provisions of the CRNGS Provider contract, through traditional proceedings related to COH distribution services; and through direct discussions with COH concerning specific or general problems related to quality and reliability of its distribution system.

If for any reason a CRNGS Provider fails to provide uninterrupted service, the City will attempt to acquire an alternative natural gas supply. If this attempt fails, participants will default to COH established tariff rates. In no case will participants be without natural gas as the result of the CRNGS Provider's failure to provide uninterrupted service. The City will seek to minimize this risk by contracting only with reputable CRNGS Providers that demonstrate reliable service. The City also intends to include conditions in its CRNGS Provider contract that will indemnify participants against risks or problems with natural gas supply service and price.

All Aggregation Program participants shall enjoy the protections of law afforded to consumers as they currently exist or as they may be amended from time to time. These include rights to question billings or service quality or service practices. All program participants shall also enjoy the individual right to decline participation in the Aggregation Program subject to the terms and conditions contained herein.

All Aggregation Program participants will be treated equitably. They will be guaranteed the right to raise and resolve disputes with the CRNGS Provider, be provided all required notices and information; and always retain the right to opt-out of the Aggregation Program or switch suppliers subject to the terms and conditions contained herein.

All consumers within the City's corporation limits shall be eligible to participate in the Aggregation Program subject to the terms and conditions described herein, Ohio law, PUCO rules and regulation governing natural gas service, and COH approved tariffs.

Service under the Aggregation Program shall include all eligible customer classes in adherence with universal service principles and requirements, and the traditional nondiscriminatory practices of local government. CRNGS Provider contracts shall contain provisions to maintain these principles and equitable treatment of all customer classes.

Low-income consumers shall remain subject to all provisions of Ohio law and PUCO rules and regulations as they may be amended from time to time regarding their rights to return to COH General Service and participation in the Aggregation Program.

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

Ordinance No. 2005-37 Page 5 of 13 The Clyde City Council shall approve through resolution or ordinance the Aggregation Program's Plan of Operation and Governance in accordance with Ohio Revised Code Section 4929.26. Amendments to the Plan of Operation and Governance may be subject to Clyde City Council approval and filing with the PUCO.

After adoption of the Plan of Operation and Governance, the City will file with the PUCO for governmental aggregator certification and also register as a governmental aggregator with COH.

Aggregation Program participants are subject to the same standards and responsibilities as other natural gas consumers, including payment of billings and access to metering and other equipment necessary to carry out utility operations.

The Aggregation Program may be discontinued upon the termination or expiration of the CRNGS Provider contract without any extension, renewal or subsequent contract being executed. In the event of Aggregation Program termination, each participant will receive notification at least 60 days prior to such program termination and could return to COH General Service Rate or select another approved CRNGS Provider.

### 2. Determination of Rates

The City will not buy and reself natural gas to Aggregation Program participants. The City will aggregate natural gas loads within the City's corporation limits including municipal facilities. Through a competitive selection process, the City will develop and negotiate a contract with a CRNGS Provider or Providers for firm, all-requirements service. The contract will contain mutually agreeable price terms for affordable, reliable natural gas supplies and other related services. The City may pursue this purpose individually or in cooperation with other entities. Contracts will be monitored by the City on behalf of consumers.

CRNGS Providers will supply information on natural gas supply charges by COH customer rate classification or other appropriate pricing category as approved by the City. All natural gas supply charges will be fully and prominently disclosed in consumer enrollment materials and will be subject to approval by the Clyde City Council.

The City will contract only with a CRNGS Provider or Providers that meet at a minimum the following criteria:

- 1. Certified CRNGS Provider by the PUCO
- 2. Registered with COH
- 3. Have a service agreement under COH Gas Transportation Service Tariff

Ordinance No. <u>2005-37</u> Page 6 of 13

- 4. Successfully completed Electronic Data Interchange (EDI) computer system testing with COH and that CRNGS Provider's EDI computer system is capable of effectively processing Aggregation Program EDI transactions in a timely manner
- 5. Meet standards of creditworthiness established by the City
- 6. Have a customer call center capable of effectively handling participants' questions, concerns and disputes in a timely manner using a toll-free telephone number
- 7. Hold the City harmless from any financial obligations arising from offering natural gas and/or energy-related services to Aggregation Program participants

The CRNGS Provider's contract will run for a fixed term (i.e., one to five years) and contain all pricing, charges, early termination fees, etc. in clear and easily understood terms, and it will include a sales tax instead of a gross receipts tax.

The CRNGS Provider's rates will include an administrative fee, which shall (if implemented) be collected on behalf of the City to fund the implementation and administration of the City's Aggregation Program. The administrative fee will be adjusted annually to cover the City's cost of administering the program. The fee will be reviewed annually to ensure that the amounts collected do not exceed the cost of administering the aggregation program.

COH assigns customer rate classifications, character of service and associated regulated rates subject to PUCO approved tariffs. In addition to the CRNGS Provider's gas service charges, consumers will, continue to be billed for COH service and delivery charges. Although the City may participate in regulatory proceedings and represent the interests of consumers regarding these regulated rates, it cannot assign or alter customer rate classifications.

## 3. Plan for Providing Opt-out Notice

Initially, each eligible consumer within the City's corporation limits will be automatically included in the Aggregation Program. However, prior to actual enrollment, each consumer will receive a notice from the City detailing the Aggregation Program's rates, terms and conditions.

Each consumer will then have a 21-day period to opt-out of or decline to participate in the Aggregation Program without charge. Consumers opting out of the program will remain on Columbia Gas of Ohio's (COH) established tariff rates until such time as they select an approved CRNGS Provider. A similar opt-out period will be offered every two years during which time consumers can leave the Aggregation Program without paying an early termination fee.

Ordinance No. <u>2005-37</u> Page 7 of 13

### 4. Process for Determining the Pool of Customers

After contract approval by the Clyde City Council, the CRNGS Provider will work with the City and COH to identify all eligible consumers within the City's corporation limits.

All eligible consumers will be notified of the rates, charges and other terms and conditions of participation in the Aggregation Program and that they will be automatically enrolled in the Aggregation Program unless they "opt out" or decline participation in the program. Consumers will be given a 21-day period in which to notify the City that they wish to opt out or decline participation in the Aggregation Program.

After the initial 21-day opt-out period has elapsed, all eligible consumers who have not notified the City of their desire to opt out of the Aggregation Program will be enrolled by the CRNGS Provider at the earliest date practicable.

Consumers enrolled in the Aggregation Program by the CRNGS Provider will receive a letter from COH notifying them of their enrollment. Consumers will have seven calendar days to notify COH of any objection to their enrollment in the Aggregation Program. COH will notify the CRNGS Provider of consumer objections or any reason that a consumer was not enrolled in the Aggregation Program.

Customers who meet the following criteria will become Members of the aggregation program:

- Are not currently buying gas from another supplier;
- Are up to date with their bill payments;
- Have not opted out of the program;
- Currently have service with COH;
- Are classified as non-mercantile;
- · Have not exercised their right of rescission, or;
- Are not on the Percentage of Income Payment Plan (PIPP).

New members may opt into the Program upon contract expiration with an alternate supplier. These members will need to contact the CRNGS Provider for enrollment information. The CRNG Provider has a right of refusal in accordance with criteria described in this plan.

The CRNGS Provider will build and maintain a database of all Aggregation Program participants. The database will include the name, address and COH account number and may include other pertinent information as agreed upon by the City and the CRNGS Provider. Such information may include the CRNGS Provider's account number (if different from COH account number), rate code, rider code (if applicable), most recent 12 months of natural gas consumption, and meter reading cycle. The Aggregation

Ordinance No. <u>2005-37</u> Page 8 of 13 Program database will be updated at least quarterly. The City will have the right to access information in the database for purposes of auditing.

The CRNGS Provider will report to the City the status of Aggregation Program enrollment on at least a monthly basis.

Participants who wish to leave the Aggregation Program may do so:

- During the initial 21-day opt-out period;
- During the seven day rescission period;
- During subsequent opt-out period offered by the City at least every two years;
- At any other time; however an early termination fee may be assessed.

In addition to the initial 21-day opt-out period described above, each participant will be given an opportunity to opt out of the Aggregation Program every two years without paying an early termination fee. Consumers who choose to opt out of the Aggregation Program at any time other than during the initial 21-day opt-out period or during subsequent opt-out periods offered by the City may be subject to an early termination fee.

Any consumer who opts out of the Aggregation Program will be returned to COH established tariff rates until such time as the consumer selects another approved CRNGS Provider.

## 5. Customer Billing Procedures

The City plans to utilize COH consolidated billing service in which each consumer account receives one bill itemizing the CRNGS Provider's natural gas supply charges and COH delivery, transition and other PUCO-approved charges. The billing statement will be consistent with applicable PUCO rules and regulations. The City will consider other billing options, including CRNGS Provider consolidated billing, if and when they become available and if it appears advantageous to do so.

## 6. Credit and Deposit Policies

Collection, credit and deposit procedures remain the responsibility of the Local Utility, the selected supplier and the individual member. Members are required to remit and comply with the payment terms of the local utility. This program will not be responsible for late or no payment on the part of any of its members. The Municipality will have no separate credit or deposit policy. The selected supplier shall not charge more than  $1\frac{1}{2}$  percent per month for overdue balances owed to the selected supplier.

## 7. Governmental Aggregator's Customer Service Procedures and Dispute Resolution

Ordinance No 2005-37 Page 9 of 13 The Aggregation Program only impacts the source of natural gas supply. COH will continue to deliver the natural gas purchased through the Aggregation Program to participants' homes and businesses through its natural gas distribution system. Participants with question or concerns regarding service delivery or safety, such as a natural gas outage or odor of gas should continue to contact COH at 800-344-4077. Meter reading or other billing questions should also be directed to COH at the same number. Questions regarding Aggregation Program enrollment or opting out should be directed to the CRNGS Provider. General questions and concerns should be directed to the Finance Director of the City of Clyde. Disputes unresolved by the aforementioned parties, should be directed to either the Ohio Consumer's Counsel or the Public Utilities Commission of Ohio. The following table gives toll-free telephone numbers for use by consumers.

Question or Concern	Contact	Telephone Number
Natural gas outage or interruption	СОН	800-344-4077
Turn natural gas on or off	СОН	800-344-4077
Meter reading/billing	СОН	800-344-4077
To enroll in or opt-out of the Aggregation Program	Shell Energy 剤ours: M-F 7am-7pm; Sat 9am-2pm	877-557-4355
Aggregation Program Questions or concerns	Superintendent of Utilities	
Unresolved disputes (residential customers)	Ohio Consumer's Counsel	877-742-5622 occ@occ.state.oh.us
Unresolved disputes (all customers)	Public Utilities Commission of Ohio	(800)-686-7826 (voice) (800)-686-1570 (TDD)

### Members Moving Into/Within the Aggregation (New Account Number)

Consumers who move into the City after the initial opt-out period will be not be <u>automatically</u> included in the Program, but will be afforded an opportunity to enroll. However, the City cannot guarantee that the rates, terms and conditions to consumers enrolling in the Aggregation Program after the initial 21-day opt-out period will match those of the initial enrollees.

Ordinance No. <u>2005-37</u> Page 10 of 13 The same rule will apply to participants who move within the City after the initial optout period, if they are given a new account number by COH. That is, they will not be <u>automatically</u> include in the Program, but will be given an opportunity to re-enroll under a new set of rates, terms and conditions.

### Members Moving Within the Aggregation (Same Account Number)

Participants who relocate within the City limits and retain the same COH account number, will be allowed to continue in the Aggregation Program at their new location under the same terms and conditions as at their former location, subject to any switching fees imposed by COH.

### Joining the Program at a Later Date (Opting-In)

Residents of the City who initially choose to opt-out of the Program, for whatever reason, and wish to enroll at a later date, will be treated the same as a new resident. That is, they will not <u>automatically</u> become part of the existing program, but will be given an opportunity to enroll. However, the City cannot guarantee that rates, terms and conditions to consumers enrolling in the Aggregation Program after the initial 21-day opt-out period will match those of the initial enrollees.

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### DEFINITIONS

### Aggregation

Combining the natural gas loads of multiple customers for the purposes of supplying or arranging for the supply of competitive retail natural gas service to those customers.

Aggregation Program Manager

The person or entity designated by the City to oversee the operation and management of the City of Clyde's Municipal Natural gas Aggregation Program.

Ordinance No. <u>2005-3</u>7 Page 11 of 13

### Competitive Retail Natural Gas Service (CRNGS)

A component of retail natural gas service deemed competitive under the Ohio Revised Code or pursuant to an order of the PUCO. This includes but is not limited to the services provided by competitive retail natural gas service providers, natural gas marketers, aggregators and governmental aggregators.

### Competitive Retail Natural gas Service Provider (CRNGS Provider)

A person or entity certified by the PUCO and registered with COH who supplies or offers to supply a competitive retail natural gas service over the COH natural gas distribution system. This term does not apply to COH in its provision of standard offer natural gas service.

### Consumer

Any person or entity that is an end user of natural gas and is connected to any part of COH natural gas distribution system within the City of Clyde's corporation limits.

### Delivery Charge

Charge imposed by COH for delivering natural gas to a consumer's home or business. The charge includes meter reading, billing, transition costs, maintaining natural gas system reliability and responding during emergencies and outages (also called the distribution charge).

### Distribution

Delivery of natural gas to a home or business through COH owned pipelines, meters and other equipment. COH distribution system operations will remain regulated by the PUCO.

### Governmental Aggregator

An incorporated village or city, township or county acting as an aggregator for the provision of a CRNGS under authority conferred under Section 4929.26 of the Ohio Revised Code.

### Mercantile Customer

A customer that consumes, other than for residential use, more than five hundred thousand cubic feet of natural gas per year at a single location within the state; or a customer that has three or more location within the state that consume natural gas, other than for residential use.

Ordinance No. <u>2005-37</u> Page 12 of 13

### Natural Gas Related Service

Service directly related to the consumption of natural gas at a consumer's home or business. This may include, but is not limited to, the installation of metering, remote reading indices, regulation; the maintenance, repair or replacement of appliances and other energy-consuming devices at a consumer's premises, and the provision of energy consumption measurement and billing services.

### Natural gas Supply Charge

All charges related to the acquisition of natural gas by the CRNGS Provider, and its delivery to the City's distribution system.

### Ohio Consumers' Counsel (OCC)

The Ohio Consumers' Counsel (OCC), established by the Ohio Legislature in 1976, represents the interests of Ohio's four million residential utility customers served by investor-owned utilities in proceedings before the PUCO, other regulatory agencies and in the courts. The OCC also educates consumers about utility issues and resolves complaints individuals have with investor-owned utility companies.

### Participant

A consumer enrolled in the City of Clyde's Municipal Natural gas Aggregation Program.

### Public Utilities Commission of Ohio (PUCO)

The state agency charged with assuring all consumers (residential commercial and industrial) served by investor-owned utilities have access to adequate, safe, and reliable utility services at fair prices. The PUCO regulates a wide variety of investor-owned utilities, including natural gas, electricity, pipeline, heating/cooling, local telephone, long distance telephone, waterworks, wastewater, railroad, household goods carriers, water transportation, hazardous materials carriers, and commercial transportation carriers.

> Ordinance No. <u>2005-37</u> Page 13 of 13

EXHIBIT B-3

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## AUTOMATIC AGGREGATION DISCLOSURE

EXHIBIT B-4

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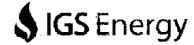
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# **OPT-OUT NOTICE**

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P.O. Box 9060 Dublin, OH 43017 | www.igsenergy.com | Fax: 1-800-584-4839



4 - 459 - 1375234 - 06.1122RA-Choice\exist-Clyde Regina Metz

November 21, 2006

372 Nathan Dr Clyde OH 43410-9654 :434109654725:

Dear City of Clyde Natural Gas Aggregation Participant,

You are currently participating in the City of Clyde Governmental Opt-Out Natural Gas Aggregation Program with Interstate Gas Supply, Inc. (IGS) as your supplier of gas.

Your current program is set to expire with your December 2006 billing period.

The City of Clyde and IGS are pleased to offer you a new program that will continue through your December 2007 billing period.

Effective January 2007, your new rate will be \$1.214 per CCF, plus applicable taxes and Columbia Gas of Ohio (Columbia) charges. Unlike Columbia's rate, which changes with the market price of gas each month, your rate will remain, fixed at 1.214 per CCF through your December 2007 billing period. This equates to a 12% reduction compared to the price you paid to IGS over the last year. Please refer to the attached Terms and Conditions for full details of this offer.

There is no cost to continue participation in the Aggregation Program. If you wish to continue, no further action is required-you will automatically be re-enrolled beginning with your January 2007 billing cycle.

If you DO NOT wish to continue to participate in the City of Clyde Governmental Opt-Out Natural Gas Aggregation program you must complete the enclosed Opt-Out Form and return it to IGS by December 11, 2006. You may also call IGS toll free, before December 11, 2006, at 1-800-280-4474 to opt-out.

If you opt-out of this program, your gas will be provided by Columbia at the standard tariff rate, effective with your January 2007 billing period. If you do nothing you will continue to participate in your community's Opt Out Aggregation Program through December, 2007.

If you have any questions regarding this letter, please contact IGS at the above toll free number. You may also visit our website at www.igsenergy.com.

Please include on all correspondence with IGS your name, address, account number and customer ID number, which can be found below.

Sincerely,

Customer ID: 1375234

Thank you for making IGS your smart energy choice.

Sincerely,

The City of Clyde and IGS

P.S. Remember to return the "Opt-Out" form only if you do <u>not</u> want to participate in the City of Clyde Natural Gas Aggregation Program.

You are not eligible to participate in this program if you are currently enrolled in the PIPP program.

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Tear along dotted line

### NOTICE

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Return the "Opt-Out" form <u>only</u> if you do <u>not</u> want to participate in the City of Natural Gas Governmental Aggregation Program.

Mail by December 11, 2006 to:

Natural Gas Governmental Aggregation Program

PO Box 9060

Dublin, Ohio 43017-0960

#### Opt Out AMPO COH 1.214-1207

Term: The term of this Government Aggregation Program (the "Program") will begin with initial gas flow with the utility which is typically one to two billing cycles after enrollment with IGS and verification by the utility. Regardless of when I begin on this program, the agreement will continue through my **December**, **2007** billing cycle. Interstate Gas Supply, Inc. (IGS) will supply the commodity portion of my natural gas and Columbia Gas of Ohio (COH) will be my Natural Gas Distribution Company (NGDC). I can contact the IGS choice department by phone at 1 800 280 4474 by fax 614 923 0470, in writing at P.O. Box 9060, Dublin, OH 43017 or through their web site at <u>www.igsenergy.com</u>.

Enrollment: My service will begin with initial gas flows, which usually occurs within one to two billing cycles following the completion of the enrollment process and the transfer of my account by COH, all of which follows completion of the opt-out period.

**Regulatory:** The COH Energy Choice Program and your Government Aggregator are subject to ongoing Public Utilities Commission of Ohio (PUCO) jurisdiction and 1 understand that if the Energy Program or this Natural Gas Governmental Aggregation Program is terminated, this agreement will be terminated without penalty to me and without notice from IGS.

Billing: For my convenience I will receive only one bill, which will be issued by the NGDC each month and will contain IGS' gas price plus applicable taxes and oll of the NGDC's transportation and other applicable charges, including any late fees assessed by the NGDC. I agree to continue to pay the NGDC for the entire gas bill under the NGDC's payment terms and conditions. If I pay under the budget bill payment plan, I understand that this service is available and will remain the same. IGS reserves the right to issue an invoice to me directly, such invoice would contain IGS' gas price plus applicable taxes and may also include all of the NGDC's transportation and other applicable charges. IGS may terminate this agreement with fourteen (14) days written notice should I fail to pay the bill or meet any agreed-upon payment arrangements. The NGDC may also disconnect my service without first returning me to the NGDC service if I fail to pay for my invoices on time, subject to the NGDC Tariff and Ohio law. IGS has the right to charge me a late fee of 1.5% per month for all past-due amounts owed if IGS invoices me separately. I may request, at no charge, up to 24 months of my payment history for services rendered by IGS. IGS will not release my social security number or account number to any other third party without my affirmative written consent except for the purpose of enrolling my account or obtaining payment history. I authorize IGS to obtain my billing payment and usage history from the NGDC.

Contact and Dispute Resolutions: In the event of a billing dispute or issues regarding volume or metering, I should contact the NGDC at the number listed on their bill. For other questions about pricing, I can contact the IGS choice department by phone weekdays from 8:00 a.m. to 5:00 p.m. EST at 1-800-280-4474, by fax 614-923-0470, in writing at P.O. Box 9060, Dublin, OH 43017, or through their web site at www.igsenergy.com. Also, I can contact IGS through e-mail at choice@igsenergy.com. If my questions are not resolved after I have called IGS, I may call the public utilities commission of Ohio (PUCO) toll free at 1-800-686-7826 or 1-614-466-3292, or for TDD/TYY toll free at 1-800-686-1570 or 1-614-466-8180, from 8:00 a.m. to 5:00 p.m. weekdays, or visit the PUCO website at www.puco.ohio.gov, or as otherwise specified by the Commission. The Ohio Consumers Coursel (OCC) represents residential utility customers in matters before the PUCO. The OCC can be contacted toll free at 1-877-742-5622 from 8:00 a.m. to 5:00 p.m. weekdays or visit www.pickocc.org.

Jurisdiction: If a dispute cannot be resolved in the above fashion I agree that any legal action involving any and all disputes arising under or relating to this agreement shall be brought in a court of the State of Ohio sitting in Franklin County, Ohio, the Public Utilities Commission of Ohio in Columbus, Ohio, or in the United States District Court for the Southern District of Ohio sitting in Columbus, Ohio. I submit to the personal jurisdiction of such courts and irrevocably waive any and all objections that I now have or might in the future have to any and all such courts as the proper forum for any and all actions arising under or related to this agreement. This agreement shall be interpreted and enforced according to the laws of the State of Ohio, without giving effect to its choice of law principles.

Price: My price will be \$1.214 per CCF beginning with my first billing cycle on this program through my December, 2007 billing cycle, plus applicable taxes and NGDC charges, which are not included in my price. I am responsible for applicable taxes and all charges assessed by COH for gas transportation and all other applicable charges and adjustments by COH for delivery of gas throughout the term of this Program. Unless my government aggregation program continues with IGS as my supplier, this agreement will not renew thereafter.

Renewal: The Government Aggregation current period continues through **December**, 2007 billing cycles. My Government Aggregator will provide me an opportunity not less frequently than every two years, beginning with the commencement date of the program, to opt-out of the Government Aggregation program without penalty, as long as the program continues.

Rescission Period: I understand that COH will send me a confirmation notice of transfer of service and that I will have seven days from the confirmation postmark date to rescind my enrollment with IGS. If I want to rescind I should contact COH in writing or by calling them at the number listed on the confirmation notice. Otherwise, I understand that as part of a Government Opt-Out Aggregation, I will be included in the aggregation program unless I notify IGS within twenty-one (21) days of the postmark date of this notice that I do not wish to be included. I can notify IGS by contacting IGS by telephone or in writing as indicated under Contact and Dispute Resolution above, or by completing an opt out mail back form and sending it to IGS.

Cancellation: I may cancel this agreement, with no charge to me, at any time during the 7-day rescission period or within 21 days of the initial notice date of this Program. Either party may cancel this agreement at any other time during the term of this Program by giving thirty days written notice and paying a twenty-five dollar (\$25.00) cancellation fee. If I switch my services back to the NGDC or another supplier, this agreement will be terminated and I agree to pay the twenty-five dollar cancellation fee I acknowledge that if I return to the NGDC, I may be charged a price other than the GCR rate.

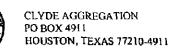
Assignment: This contract is assignable by IGS without my consent subject only to any regulatory approvals. IGS will use its best efforts to give the NGDC and me thirty days written notice prior to any assignment.

Moving: If I move to another address outside of the COH service territory this agreement will automatically terminate with no penalty to either party. If I move to another address within COH's service territory either party may terminate this agreement with no penalty. However, if I relocate within the COH service territory and I do not cancel, I agree that IGS may, at its option, automatically continue this agreement at my new address under my new COH account number and I hereby authorize IGS to enroll me. Furthermore if IGS is unable to determine my account number, I agree to provide my new account number to IGS upon their request. If IGS is unable to obtain my account number or is unable to enroll me at my new address within 120 days, then this agreement will automatically terminate with no penalty to either party.

**Eligibility:** This agreement is for residential and small commercial customers and IGS reserves the right, at any time and in its sole discretion, to terminate service to customer locations that consume more than 5,000 CCF per year and return the customer to COH with no penalty to either party. Furthermore, participation in the program is subject to the rules of COH, your Government Aggregator, and the Public Utilities Commission of Ohio. Additionally, customers are sometimes terminated either in error or for being in arrears. In such instances I can contact COH to correct the problem and be reinstated in the program. Regardless of the reason for termination, in no case will the original term be extended for months that I was unable to participate nor will IGS have any liability for any early termination or for any months that I was unable to participate in the program.

Limitation of Liability: IGS assumes no liability or responsibility for losses or consequential damages arising from items associated with the NGDC including, but not limited to: operations and maintenance of their system; any interruption of service; termination of service; or deterioration of service, nor does IGS assume responsibility or liability for damages arising from any in-home or building damages and in addition shall not be responsible for any indirect, consequential, special or punitive damages whether arising under contract, tort (including negligence or strict liability) or any other legal theory.

October 29, 2003



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## «FULLNAME» «MAILINGADDR» «MAILINGCITY» «MAILINGSTATE» «MAILINGZIP»

## You Qualify for the

## CITY OF CLYDE Natural Gas Governmental Aggregation Program

In today's open, competitive natural gas market, citizens of Clyde have collectively pulled together our individual natural gas needs and have negotiated a supply plan to benefit everyone. The City of Clyde created a purchasing group with a vote in May 2003, and, after reviewing proposals from a number of suppliers, has negotiated a natural gas supply agreement with Shell Energy Services Company in which citizens of Clyde automatically qualify to participate.\* Shell will supply your natural gas and Columbia Gas of Ohio (CGO) will

continue to maintain the distribution system, read your meter and provide a single bill containing CGO and Shell charges.

Natural gas prices have found their way into news coverage nationwide. Prices for natural gas have nearly doubled in the past year. These price increases have been driven by industry factors that are impacting the entire nation:

- Supply inventories depleted by record cold winter in the north and northeast
- Increase in new gas-fired power generation plants coming on-line this summer
- Reduced production so fewer wells are bringing gas to the market

These are market realities, but even with these developments the City of Clyde and Shell are working to provide you a fair, competitive natural gas price to protect you from market volatility, particularly during the winter heating season.

## How the City of Clyde Natural Gas Plan Works

Shell is offering citizens of the City of Clyde an exciting rate combination for your natural gas purchases! Here's how the plan works:

- During the period January 2004 through October 2004, you'll get a guaranteed rate, which will not change over the ten billing cycles. This provides peace of mind, assuring you a predictable, reliable price and protects you from surprises on your gas bill.
- And, during the period November 2004 through October 2005, you'll get a new guaranteed rate that will be determined by the City before September 10 2004. Again providing you with peace of mind that the price you pay for natural gas will not change.

## City of Clyde Program Key Points

- Shell has been selected the provider of choice to provide natural gas to the City of Clyde.
- You will be automatically enrolled in the aggregation unless you take affirmative action to opt-out.
  To OPT-OUT, complete the enclosed Opt-Out Election Form and mail it to Shell by Nov 24, 2003.

Refer to page 2 of this letter for program participation information.

CGO Bill Cycles	City of Clyde Rate Structure <sup>1</sup>	
January 2004 – October 2004	Guaranteed Rate of \$0.76426 per Ccf	
November 2004 – October 2005	Guaranteed Rate (rate set by the city before Sept 10, 2004)	

<sup>1</sup>See enclosed Terms & Conditions for details regarding prices, other charges, and important limitations.

### **How Do I Participate?**

As a citizen of Clyde you automatically qualify to participate (\*see details below) in this natural gas program, so you don't have to do anything. After your enrollment is approved by CGO, your gas flow from Shell will begin in January and this new plan will be reflected in your January CGO bill cycle. You may be charged a \$25.00 Early Termination Fee if you leave the program any time during the term of the Agreement. Under our Agreement, Shell will provide your natural gas service through your October 2005 billing cycle. At that time, you may leave the program without penalty.

### How Do I Choose Not to Participate?

If you don't want to participate, complete the enclosed Opt-Out Election Form indicating you do not want to join this city-endorsed aggregation group. You have 21 days from the postmark date of this letter to return the form if you wish to opt-out of our aggregation program. If you choose to not participate in the Clyde natural gas program you will continue to get your natural gas from CGO at their established rate.

### How Can I Get More Information?

You can get more details about the City of Clyde natural gas program by visiting www.shellenergy.com, email customercare@shell.com, or calling toll-free 877-557-4355 (7:00 a.m. - 7:00 p.m. EST weekdays and 9:00 a.m. - 2:00 p.m. Saturdays) and a Customer Service Representative will be ready to help you. City Hall will not be able to assist with this program, so please don't call City Hall. We recognize that most people are looking for ways to better manage their costs and we believe this plan will help you get the most value from your natural gas.

Regards,

The City of Clyde

\* Participants must be eligible for the Columbia Gas of Ohio Choice program, have a service address located within the city limits of Clyde and cannot be a Percentage of Income Payment Plan program participant or have a mercantile account with CGO.

## City of Clyde Natural Gas Aggregation Program Opt-Out Election Form

I elect not to participate in the City of Clyde Natural Gas Aggregation Program and understand that I will not be served by Shell Energy. (please check box to make election)

CGO Account Holder's Signature:

Date of Execution:

4

Important Notice: By returning this signed Opt-Out Election form, I affirmatively elect not to participate in the City of Clyde Natural Gas Aggregation Program. By electing not to participate, I understand that I will forego the benefits of the program that include receiving natural gas from Shell Energy. I understand that if I choose to opt-out of the City of Clyde Natural Gas Aggregation Program, I must fully complete this Opt-Out Election form and mail it to Shell Energy within 21 days of the postmark of the letter accompanying this form. My Opt-Out Election form must be postmarked by this date for my opt-out election to be effective. If my Opt-Out Election form is not postmarked by this date or is incomplete, I understand that the natural gas service to the service address shown below will be automatically enrolled in the City of Clyde Natural Gas Aggregation Program.

1 assume all responsibility to send the Opt-Out Election form to: Shell Energy Services, P.O. Box 4911, Houston, TX 77210-4911, attn: City of Clyde Natural Gas Program.

**Please note:** For your election to be effective, the information provided below must match the information contained in the CGO bill for the account tied to the natural gas service that you receive in the City of Clyde. Please write in any corrections to the information shown below, if necessary.

NAME on Natural Gas Utility Account:

с.

**«FULLNAME»** 

SERVICE ADDRESS on Natural Gas Utility Account (Street address, City, State & Zip code):

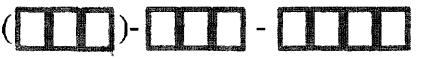
«SrvAddr», «SrvCity», «SrvState», «ServiceZip»

MAILING ADDRESS (if different from Service Address) (Street address, City, State & Zip code):

«MailingAddr», «MailingCity», «MailingState», «MailingZip»

Please fill in the phone number below in the event we need to contact you regarding information on this form. (NOTE: Your telephone number will not be shared with others or be used for direct solicitation).

Account Holder's telephone number (OPTIONAL):



If you wish to Opt-Out of the City of Clyde Natural Gas Aggregation Program, Please complete this Opt-Out Election form and mail to: ATTN: City of Clyde Natural Gas Program Shell Energy Services PO Box 4911 Houston, TX 77210-4911



«Promo»

### CITY OF CLYDE GOVERNMENTAL AGGREGATION PROGRAM TERMS AND CONDITIONS - CGO SERVICE AREA ("T&C")

### 1. Terms and Conditions

The City of Clyde (the "City") provide the following Terms and Conditions ("T&C") to customers served by Columbia Gas of Ohio ("CGO") that are eligible to be served by the City's opt-out governmental aggregation program ("Opt-Out Program"). This T&C along with the City's Plan of Operation and Governance set out your rights and obligations under the Opt-Out Program. We ask that you please take a moment to familiarize yourself with this document. The City of Clyde entered an agreement ("Agreement") with Shell Energy Services Company, L.L.C. ("Shell Energy") regarding the sale of natural gas to members of our Opt-Out Program. The Agreement is available for your review at our offices.

The terms "we," "us," "our" and any derivations thereof refer to the City. The terms "you," "your" and any derivations thereof refer to the retail natural gas customer in the CGO service territory that is a member of our Opt-Out Program and is successfully enrolled by Shell Energy with CGO.

### 2. <u>Term</u>

Shell Energy's service to you is expected to begin with your January 2004 Bill Cycle. Shell Energy will continue to provide your natural gas through your October 2005 Bill Cycle, subject to certain conditions set forth in this T&C. Subject to CGO's Tariff, Shell Energy Supply to you shall begin on the first available meter reading cycle after CGO processes your switch request and shall end on the last day of the twenty-second (22nd) following Bill Cycle.

### 3. Supply of Natural Gas

For the duration of this Agreement, through the Opt-Out Program, with the City acting as your agent, Shell Energy has agreed with us to sell to you and you agree to buy from Shell Energy the natural gas that you consume to meet all of your residential and/or commercial natural gas needs for the natural gas accounts listed in the "Opt-Out Notice" ("Notice") accompanying this T&C ("Supply"). Shell Energy will only supply the natural gas commodity. CGO will continue to be responsible for the delivery of natural gas to you and for other related services ("Service").

### 4. Price

Depending on your Bill Cycle, Shell Energy will charge you a different price for the Supply. A bill cycle contains beginning and ending meter readings and is determined by CGO ("Bill Cycle"). These prices shown below are exclusive of any applicable state or local taxes and CGO's service and delivery charges. Your delivered price will also include all applicable taxes and CGO charges.

- a. For January 2004 through October 2004 Bill Cycles. Shell Energy will charge you \$0.76426/Ccf for natural gas for which you are billed in your January 2004 through October 2004 Bill Cycles.
- b. For November 2004 through October 2005 Bill Cycles. Shell Energy will charge you a stable price per unit of measure for natural gas for which you are billed in your November 2004 through October 2005 Bill Cycles. Your price for natural gas per unit of measure will remain constant during that period. Between May 1, 2004 and September 10, 2004, representatives of the City, will choose the day on which the November 2004 through October 2005 price is set. As more fully set out in the Exhibit D to the Agreement, Shell Energy will set this single price on the day chosen by the City based on the NYMEX natural gas futures contract settlement prices plus a fixed amount of \$2.34 per Dth and convert that sum to a price per Ccf.

### 5. Historic and Current Usage Data

By accepting Supply from Shell Energy, you expressly authorize Shell Energy to obtain your historic and current natural gas usage data from CGO.

6. Paying Your Bill

a. Shell Energy will charge you once a month for the Supply. CGO will continue to provide you with monthly natural gas utility bills based on its Bill Cycles as they have in the past. Shell Energy's Supply charges will be included, and specifically identified, on the CGO bill. The CGO bill will also include additional charges from CGO for its transmission and distribution of natural gas to your service address.

b. You must pay Shell Energy's Supply charges by the payment due date shown on your monthly CGO bill. You remain responsible for all charges accrued by you during the Term of this Gas Supply Service Agreement. CGO may charge late payment fees to you if you do not pay by the due date.

### 7. Obtaining Account Information

You may obtain information concerning your Supply account with Shell Energy by contacting Shell Energy's Customer Care Department toll-free at (877) 557-4355. This number will also be displayed on your monthly bill. Shell Energy's Customer Care Department is available from 7:00 a.m. to 7:00 p.m. Eastern Time on weekdays (excluding holidays) and from 9:00 a.m. to 2:00 p.m. Eastern Time on Saturdays.

### 8. Customer Inquiries and Disputes

If you have a concern regarding Shell Energy's Supply charges, please contact Shell Energy's Customer Care Department toll-free at (877) 557-4355 or write to P. O. Box 4911, Houston, TX 77210-4911. Shell Energy will investigate your concerns and provide you with a status update within three (3) business days of receiving your concern. Shell Energy will provide other reports and updates that are required by PUCO, if any. If your questions are not resolved after you have contacted Shell Energy, you may notify us at (330) 688-7491. You may also notify Public Utilities Commission of Ohio ("PUCO") by calling toll free 800-686-7826 or 1-614-466-3292, or for TDD/TYY toll free at 800-750-0750 or 1-614-466-3292, from 8:00 a.m. to 5:00 p.m. weekdays, by visiting the PUCO website at www.puco.ohio.gov or as they otherwise specified by PUCO. Residential customers may also contact the Ohio Consumers' Counsel ("OCC") by calling toll free at 877-742-5622 from 8:30 a.m. to 5:30 p.m. weekdays, visiting the OCC website at www.pickocc.org or as otherwise specified by the OCC.

### 9. Service Renewal

If our Agreement with Shell Energy is extended or we enter a new agreement with Shell Energy, we will notify you of the new terms and allow you an opportunity to opt-out of the Opt-Out Program at that time.

### 10. Rescission

CGO is required to send you a notice confirming your decision to enroll with Shell Energy. You may rescind your enrollment with Shell Energy (without penalty or fee from shell Energy) up to seven (7) business days after the postmark on the CGO enrollment confirmation notice by either calling or writing CGO. CGO is required to place the appropriate address and phone number on its enrollment confirmation notice.

### 11. Termination

a. Automatic Termination

1. Your Supply from Shell Energy shall automatically terminate, without a fee from Shell Energy, if you change the physical address where you receive Shell Energy Supply to a location outside of the City's boundaries ("Boundaries").

2. Your Supply from Shell Energy shall automatically terminate, if you change the physical address where you receive Shell Energy Supply to a location within the CGO service territory, but you fail to provide Shell Energy with written or telephonic notice at least forty-five (45) calendar days prior to the actual change of address. If you provide written or telephonic notice to Shell Energy at least forty-five (45) calendar days prior to the actual change of address, then the obligations under this T&C shall transfer to the new address. If your natural gas Supply is transferred to the new location, Shell Energy's Supply at the new location will continue under the same terms as the original location through the duration of the Agreement. Regardless of when your service begins at the new location, Shell Energy's Supply to you as a member of the Opt-Out Program shall terminate at the end of your October 2005 Bill Cycle, unless our Agreement with Shell Energy is extended.

3. Your Supply from Shell Energy shall automatically terminate, without a fee from Shell Energy, if the location of the residence or place of business in which you desire to receive natural gas from Shell Energy is outside of our Boundaries.

4. Your Supply from Shell Energy shall automatically terminate if CGO terminates your ability to participate in this Opt-Out Program for any reason including, but not limited to, your failure to pay Service and/or Supply.

5. Your Supply from Shell Energy shall automatically terminate if Shell Energy returns you to CGO commodity service pursuant to these T&C or the Agreement.

6. The automatic termination of your Supply pursuant to Sections 11(a)(1) - (11)(a)(4) of this T&C shall occur without any prior notice (written or otherwise) from Shell Energy.

### b. Your Rights to Terminate

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You have the right to terminate your Supply prior to the end of the your October 2005 Bill Cycle. To exercise this right, you must provide Shell Energy with written or telephonic notice at least forty-five (45) calendar days prior to the termination date. If Shell Energy receives this termination notice from you, Shell Energy will take the steps necessary to terminate your Supply at the earliest possible opportunity after the end of the forty-five (45)-calendar day notice period.

### c. Shell Energy's Rights to Terminate

1. Shell Energy may terminate your Supply if you fail to pay the CGO bill by the due date shown on the CGO natural gas bill or if you otherwise fail to meet any other agreed upon payment arrangements. Shell Energy will give you at least fourteen- (14) calendar day's prior written notice of Shell Energy's intent to terminate Supply for non-payment.

2. Shell Energy shall terminate your Supply upon the termination of the Agreement prior to the end of the October 2005 Bill Cycles.

d. If Shell Energy's Supply is terminated, Shell Energy will then take steps necessary to return you to CGO commodity service.

e. Shell Energy reserves the right to charge you and you agree to pay an early termination administrative fee of \$25.00 if Shell Energy's Supply to you is terminated during the term of the Agreement, for any reason other than those set out in Sections 10, 11(a)(1), 11(a)(2) if you do not keep your service with us, 11(a)(3), 11(a)(4) and 11(a)(5) of this T&C. At Shell Energy's option, Shell Energy may bill you directly for this early termination administrative fee rather than including it on your CGO natural gas bill.

f. Your obligation to pay for any Supply shall survive the termination of your Supply and this T&C.

### 12. Performance Excused

a. If an event occurs, the prevention or avoidance of which is beyond Shell Energy's control (including, but not limited to, an act of God, an extraordinary weather problem, a failure on CGO's distribution system, a civil disturbance or a national emergency), that prevents Shell Energy from performing Shell Energy's obligations under this T&C, Shell Energy's performance obligations shall be considered excused for the duration of such an event. Changes in the price of natural gas will not excuse Shell Energy performance obligation.

b. With thirty (30) calendar days prior written notice to you, Shell Energy's performance obligations shall be considered excused, if: (a) a law or interpretation of a law makes performance of this T&C illegal; or (b) a regulatory agency, court or governing organization requires a material change to this T&C or the Agreement or new taxes or other governmental charges, fees or assessments are implemented any of which adversely and materially impacts Shell Energy or Shell Energy's ability to either perform under or enjoy the benefits of this T&C or the Agreement. This excludes the impact on Shell Energy of routine utility Gas Cost Recovery ("GCR") or GCR adjustments filed before the PUCO.

c. Shell Energy is not responsible for services provided by third parties, including the CGO.

### 13. Emergencies

In case of emergencies or if you experience problems with either CGO's natural gas distribution or metering services please contact CGO toll free at 1-800-344-4077.

### 14. Assignment

Shell Energy may assign or transfer its rights and obligations under this T&C and the Agreement to another approved supplier, in whole or in part. If such an assignment or transfer occurs, then the terms and pricing of this T&C will remain in place. By accepting service under this T&C, you agree to permit such transfers and assignments.

### 15. Governing Law

Shell Energy's Supply to you shall be governed by the laws of the State of Ohio and ongoing PUCO jurisdiction.

16. Other

a. The written notices must be sent directly to Shell Energy at the address shown above in Section 8 of this T&C. Telephonic Notices to Shell Energy must be made by calling the phone number shown above in Section 8 of this T&C.

b. Other than those limitations described elsewhere in this T&C, Shell Energy does not exclude consumers from purchasing its supply due to creditworthiness. Shell Energy may elect in the future to restrict its acceptance of new customers based on then disclosed creditworthiness standards.

c. Shell Energy has the right to utilize any and all legal methods of collection for payments due to Shell Energy.

d. Switching fees may apply to you under the CGO Tariff.

e. You have the right to request Shell Energy to provide you with up to twenty-four (24) months of your payment history for services provided under this T&C. Upon your request, Shell Energy will provide this data to you at no charge.

f. Shell Energy will not release your social security number and CGO account number without your affirmative written consent.

- g. If you voluntarily return to CGO's commodity service after Shell Energy Supply to you has begun, CGO may charge you a price other than CGO's GCR rate. You should refer to CGO's tariff and Ohio Administrative Code §4901:1-29 for further information regarding this Section.
- Shell Energy reserves the right to modify this T&C in accordance with the terms of the Agreement.

j. This T&C is not your contract for service with Shell Energy. We, as your aggregator, have contracted with Shell Energy on your behalf. Each Party's rights and obligations regarding the Opt-Out Program and providing Supply to you as a member of the Opt-Out Program are expressly limited to those contained in the Agreement. If there are conflicts between this T&C and the Agreement then the terms of the Agreement shall apply.

#### 17. Warranties

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a. You warrant that you are the customer of record or otherwise eligible to be a member of the City of Clyde Opt-Out Program and receive Supply from Shell Energy as a member.

b. SHELL ENERGY MAKES NO EXPRESS OR IMPLIED WARRANTY OF ANY KIND REGARDING THE NATURAL GAS SUPPLIED TO YOU AS A MEMBER OF THE CITY OF CLYDE AGGREGATION PROGRAM. SHELL ENERGY MAKES NO REPRESENTATIONS AND WARRANTIES BEYOND THOSE EXPRESSLY STATED IN THIS STATEMENT. SHELL ENERGY EXPRESSLY DISCLAIMS ALL OTHER EXPRESS OR IMPLIED WARRANTIES, INCLUDING MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

#### 18. Liability

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IF YOU INITIATE A CLAIM OR LEGAL ACTION OF ANY TYPE AGAINST SHELL ENERGY, YOU AGREE THAT YOUR REMEDY WILL BE LIMITED TO DIRECT ACTUAL DAMAGES AND THAT YOU WAIVE YOUR RIGHT TO ANY OTHER REMEDY. NEITHER YOU NOR SHELL ENERGY SHALL BE LIABLE FOR ANY INDIRECT, SPECIAL, CONSEQUENTIAL, LOST PROFITS, INCIDENTAL OR PUNITIVE DAMAGES.

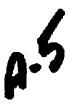
## EXHIBIT B-5

## EXPERIENCE

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**City of Clyde** 

The City of Clyde has experience in negotiating, contracting and providing for common services for residents of the City. Some examples of experience as a service provider are:

- Electric Power purchase, generation and distribution
- Municipal Opt-in Gas Aggregation
- Water and Sewer Service
- Police and Fire Service
- Parks and Recreation

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The Clyde City Manager routinely negotiates for services and supplies that benefit the residents of Clyde.

However, due to the complexity of municipal opt-out aggregation, the City has chosen to retain the services of a consultant to assist them in designing, implementing and maintaining their gas aggregation program.

## Contractual Arrangements for Capability Standards

The City of Clyde states that a valid contract exists with:

AMPO, Inc., A Subsidiary of AMP-Ohio 2600 Airport Drive Columbus, Ohio 43219

for the purpose of providing consulting services on municipal opt-out gas aggregation.

Detailed summary of the services being provided:

- Assist with developing model ordinances to create opt-in or opt-out natural gas aggregation programs.
- · Coordinate and work with municipal local officials and staff to develop a procurement strategy for reliable and competitive natural gas supplies and related services for the natural gas aggregation program.
- Assist with the preparation of a Plan of Operation and Governance for the natural gas aggregation program.
- Coordinate and assist with the preparation and filing of the required aggregation certification documents with the Public Utilities Commission of Ohio ("PUCO").

222 North Main Street • Clyde, Ohio 43410 • Phone 419-547-6898 • Fax 419-547-6626 • Email Clyde\_Govt@nwonline.net www.clydeohio.org

- Assist with performing the PUCO requirements for governmental aggregation programs.
- Provide consulting services and administer the process of negotiating with certified natural gas suppliers, developing and soliciting requests for quotations ("RFQ") or requests for proposals ("RFP").
- Evaluate and manage the ongoing negotiations and/or RFQ or RFP.
- Analyze the negotiations and/or RFQ or RFP's from certified retail natural gas suppliers and make recommendations to local officials and staff.
- Assist with developing and negotiating the contract with the certified retail natural gas supplier to serve the aggregation program.
- Assist the municipality in executing and administering agreements with the selected certified retail natural gas supplier.
- Coordinate the PUCO customer notifications and other requirements for enrolling residents in the municipal natural gas aggregation program.
- Work with and assist the municipality, the certified retail natural gas supplier, and the natural gas local distribution company to facilitate the enrollment of customers in the municipal natural gas aggregation program at the earliest date practicable.
- Work with the certified retail natural gas supplier to coordinate and communicate with the municipality regarding enrollments in the municipal natural gas aggregation program, cost savings to participants, and other related matters.
- Assist the municipality in developing effective consumer education materials to explain the aggregation program and make community presentations as needed.
- Assist with monitoring proceedings of applicable legislative and regulatory bodies and provide analysis and updates on changes that may impact the municipal natural gas aggregation program, its participants, or the municipality.
- Represent the interests of the municipality at meetings with the certified retail natural gas supplier and the local distribution company concerning the municipal natural gas aggregation program rates, terms and conditions of service, customer concerns, etc.
- Assist and work with the municipality to prepare and file annual reports required by the PUCO and Section 4905.10(A) and Section 4911.18(A), Ohio Revised Code.
- Coordinate with municipal legal counsels to facilitate legal reviews and/or opinions that may be needed in connection with the aggregation program. Please note that the performance of any legal work, including but not limited to the legal reviews and/or opinions, are beyond the scope of AMPO's services.
- As the initial term of the certified retail natural gas supplier contract agreement nears its end, repeat Phase I activities to secure ongoing competitive natural gas supplies and related services for the municipal natural gas aggregation program.

### Documentation of Contracting Party's Experience in Energy Aggregation:

### AMP-Ohio

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Founded in 1971, Columbus based American Municipal Power-Ohio (AMP-Ohio) was organized as a nonprofit corporation for the purpose of owning and operating electric facilities or otherwise providing for the generation, transmission and/or distribution of electric power and energy to its member communities. Members include 80 of Ohio's 86 municipally owned electric systems, two West Virginia public power communities and three in Pennsylvania, ranging in size from 116 customers to more than 80,000 customers. Collectively, AMP-Ohio member communities serve approximately 364,000 customers.

AMP-Ohio coordinates, negotiates and develops power supply options and interchange agreements on behalf of its members. AMP-Ohio also owns and operates the Richard H. Gorsuch Generating Station, a 213-megawatt coal-fired facility located in Marietta, Ohio, that provides power to 48 participating communities, and has undertaken an ambitious program of siting distributed generation in member communities throughout Ohio. In addition, AMP-Ohio serves as an independent project manager for Ohio members participating in joint ventures to share ownership of power generation and transmission facilities, including the OMEGA JV5 project, a 42 MW run-of-the-river hydroelectric power station completed on the Ohio River in 1999.

AMP-Ohio also operates a sophisticated 24-hour energy control center that monitors electric loads and transmission availability, dispatches, buys and sells power and energy and controls AMP-Ohio and member-owned generation. A competent in-house engineering, operations, safety, power supply, key accounts, economic development, rate and environmental staff is available at AMP-Ohio's headquarters to assist member communities in addition to performing AMP-Ohio duties and providing support to the joint ventures.

AMP-Ohio's knowledgeable, experienced staff understands the unique challenges faced by local government staff and elected officials. AMP-Ohio is governed by a 16-member Board of Trustees, all of who are local government representatives, and a number of AMP-Ohio staff members—including its president—once worked for local governments.

### AMPO, Inc.

Formed in 1998, AMPO, Inc. is a wholly owned, taxable subsidiary of AMP-Ohio whose purpose is to provide direction and service to local governments and other energy consumers in evolving energy markets. This includes the development and implementation of local electric and natural gas aggregation programs, review and negotiation of energy contracts, and the evaluation and implementation of energy supply alternatives for local business, industry and government. AMPO, Inc. has been an approved supplier in the Columbia Gas of Ohio CHOICE<sup>SM</sup> and Dominion East Ohio

Energy Choice programs and currently works with over 40 Ohio communities to offer natural gas and/or electric aggregation programs to residential and small commercial customers.

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