



# CITY of FOSTORIA

213 S. Main Street  
Fostoria, OH 44830-2322  
Ph: 419.435.8282/435.2561  
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E-mail: [execsec@ci.fostoria.oh.us](mailto:execsec@ci.fostoria.oh.us)

Diane L. Lind  
Executive Secretary  
Mayor/SS Director  
&  
Interim SSD

July 10, 2008

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

RECEIVED-DOCKETING DIV  
2008 AUG -4 AM 11:02  
PUCO

Re: *In the Matter of the Application of the  
City of Fostoria, Ohio for  
Re-Certification as a Governmental Aggregator  
Case No 06-0995-GA-GAG*

Dear Mrs. McCauley:

Enclosed please find the City of Fostoria's 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](mailto:tleach@amp-ohio.org).

Respectfully submitted,

Diane L. Lind  
Interim Safety-Service director

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 2 Date Processed 8/4/08



[REDACTED]		ORIGINAL GAG Case Number
[REDACTED]		06 - 0995 - 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, 13<sup>th</sup> 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      City of Fostoria  
Address          213 South Main Street, Fostoria, Ohio 44830  
  
Telephone No.    419-435-2561      Web site address      www.ci.fostoria.oh.us  
Current PUCO Certificate Number    06-119(1)      Effective Dates      9/4/2006 - 9/4/2008

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

Name      Diane Lind      Title      Acting Director of Safety/Public Service  
Business Address      213 South Main Street, Fostoria, Ohio 44830  
Telephone No.    419-435-2561      Fax No.    419-435-4192      Email Address      ssd@ci.fostoria.oh.us

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

Name      Diane Lind      Title      Acting Director of Safety/Public Service  
Business address      213 South Main Street, Fostoria, Ohio 44830  
Telephone No.    419-435-2561      Fax No.    419-435-4192      Email Address      ssd@ci.fostoria.oh.us

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

Customer service address      213 South Main Street, Fostoria, Ohio 44830  
Toll-Free Telephone No.    419-435-2561      Fax No.    419-435-4192      Email Address      ssd@ci.fostoria.oh.us

**SECTION B - APPLICANT AUTHORITY AND AGGREGATION PROGRAM INFORMATION**

PROVIDE THE FOLLOWING AS SEPARATE ATTACHMENTS AND LABEL AS INDICATED

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

Applicant Signature and Title

*Diane L. Lind, Interim Safety Service Director*

Sworn and subscribed before me this

*16<sup>th</sup>*

day of

*July*

Month

*2008*

Year

*Karen L. Nesbitt*

Signature of official administering oath

*Karen L. Nesbitt, Notary*

Print Name and Title

Notary

Seal

My commission expires on

*8-31-09*

KAREN L. NESBITT, Notary Public

STATE OF OHIO

My commission expires

*8-31-09*



# 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 Fostoria )

for a Certificate or Renewal Certificate to Provide )

Natural Gas Governmental Aggregation Service in )  
Ohio.

Case No. 06-0995 -GA-GAG

County of Hancock, Seneca, Wayne  
State of Ohio

Diane Lind, Acting Director Safety/Public Service

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

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

Affiant Signature & Title

*Diane L. Lind, Interim Safety Service Director*

Sworn and subscribed before me this

16<sup>th</sup>

day of

July

Month

2008

Year

*Karen L. Nesbitt*

Signature of Official Administering Oath

*Karen L. Nesbitt, Notary*

Print Name and Title

My commission expires on

8-31-09

KAREN L. NESBITT, Notary Public

STATE OF OHIO

My commission expires

8-31-09

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

EXHIBIT B-1

**AUTHORIZING ORDINANCE**

**ORDINANCE CERTIFICATION**

I, David L. Clark, being the duly appointed Clerk of Council of the City of Fostoria, Ohio and Custodian of the Records, do hereby swear and attest that the attached document(s) is a true and correct copy of Ordinance/Resolution No. 2006-14 passed on February 7,, 2006 by the Fostoria City Council.

This certificate dated this 5<sup>th</sup> day of July, 2006

David L. Clark

David L. Clark  
Clerk/Custodian of Council Records

Subscribed and sworn to before me this 5th day of July, 2006

Diane L. Lind

Notary Public

My Commission expires 2/26/2007

DIANE L. LIND  
NOTARY PUBLIC, State of Ohio  
My Commission Expires February 26, 2007

Rec. Jan. 31, 2006  
Typed Jan. 31, 2006  
SSD

ORDINANCE NO. 2006 - 14

**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 WOOD/HANCOCK/SENECA 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 Fostoria (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**

**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 Fostoria 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 Mayor (or other appropriate official) 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 include determining and entering 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.

**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 WOOD/HANCOCK/SENECA County is hereby directed to submit the following question to the electors of the Municipality at the general election on May 2, 2006:

To facilitate competitive retail natural gas service to promote natural gas savings, lower cost natural gas supplies, and other benefits, shall the City of Fostoria have the authority to aggregate retail natural gas loads located in the City 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 Fostoria 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 Fostoria 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 WOOD/HANCOCK/SENECA County Board of Elections not later than February 17, 2006, which is seventy-five (75) days prior to May 2, 2006. 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.**

**Section 4. Upon approval by a majority of the electors voting at the election provided 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 Seneca/Hancock/Wood County Boards of Elections shall cause an appropriate notice to be duly given of the election to be held on May 2, 2006 on the foregoing proposal and otherwise to provide for such election in the manner provided by the laws of the State of Ohio.

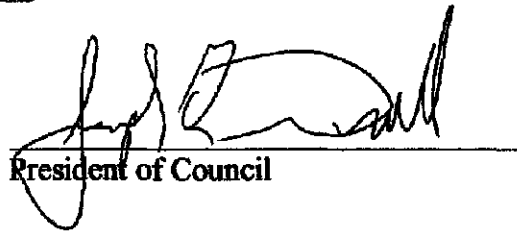
**Section 7.** This Council finds and determines that all formal actions of this Council concerning and relating to the adoption of this Ordinance were taken in an open meeting of this Council and that all deliberations of this Council and any of its committees that resulted in those formal action were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

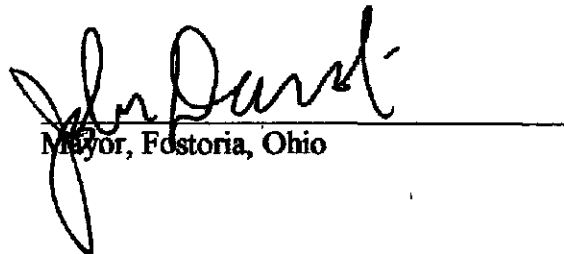
Therefore, upon the affirmative vote of two-thirds (2/3) of all members elected to Council, this Ordinance shall go into immediate force and effect.

Passed this 7th day of February, 2006.

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

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

Filed with me and approved by me this 7th day of February, 2006.

  
\_\_\_\_\_  
Mayor, Fostoria, Ohio

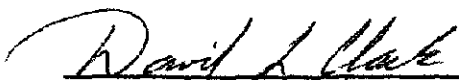
**EXHIBIT B-2**

**OPERATION AND GOVERNANCE  
PLAN**

**ORDINANCE CERTIFICATION**

I, David L. Clark, being the duly appointed Clerk of Council of the City of Fostoria, Ohio and Custodian of the Records, do hereby swear and attest that the attached document(s) is a true and correct copy of Ordinance/Resolution No. 2006-73 passed on June 20th, 2006 by the Fostoria City Council.

This certificate dated this 5th day of July, 2006



David L. Clark  
Clerk/Custodian of Council Records

Subscribed and sworn to before me this 5th day of July, 2006



Notary Public

My Commission expires 2/26/2007

**DIANE L. LIND**  
**NOTARY PUBLIC, State of Ohio**  
**My Commission Expires February 26, 2007**

## Ordinance No. 2006-73

### AN ORDINANCE TO APPROVE THE PLAN OF OPERATION AND GOVERNANCE FOR THE CITY OF FOSTORIA 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 2, 2006, the electors of the City 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; and

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 services may become limited; now, therefore,

Be it ordained by the Council of the City:

**Section 1.** That this Council hereby adopts the City of Fostoria 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 ordinance is hereby declared to be an emergency measure and shall become effective immediately upon its adoption, and that the City's aggregation program shall thereafter commence in accordance with the adopted Plan of Operation and Governance that has been established pursuant to Revised Code Chapter 4929.

Therefore, upon affirmative vote of two-thirds (2/3) of all members elected to Council, this ordinance shall go into immediate force and effect.

Passed this 20th day of June, 2006.

ATTEST:

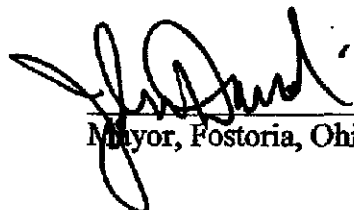
  
Clerk of Council

  
President of Council *P-C Ten*

APPROVED AS TO FORM:

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

Filed with me and approved by me this 20 day of June, 2006.

  
\_\_\_\_\_  
Mayor, Fostoria, Ohio



# The State of Ohio, County of Seneca, ss.

Veronica Taylor of the *Review Times*, 113 E. Center Street, Fostoria, Seneca County, Ohio, published by the Findlay Publishing Company, a daily newspaper of general circulation in the county aforesaid, and made solemn oath that the notice, a copy of which is hereto attached, was published May 24 and 31, 2006.

Veronica Taylor

Sworn to before me and signed in my presence, this  
14 day of July, 2006.

John A. Dee  
Notary Public, State of Ohio  
My Commission Expires:  
September 9, 2009

John A. Dee  
Notary Public

Printer's Fee \$ 152.72

Public Notice - Gas Aggregation

## PUBLIC NOTICE CITY OF FOSTORIA MUNICIPAL NATURAL GAS AGGREGATION PROGRAM PLAN OF OPERATION AND GOVERNANCE NOTICE OF PUBLIC HEARINGS

Please be advised that the City of Fostoria will hold two public hearings on the City's municipal natural gas aggregation program Plan of Operation and Governance. The hearings will be held on June 5, 2006 at the Hausch Library, 205 Perry Street, Fostoria, Ohio 44630 in the Public Room at 4:00PM and June 6, 2006 at City Hall, Council Chambers, 211 S. Main Street, Fostoria, Ohio 44630 at 6:00PM. A review of the Plan of Operation and Governance will be available and approved by the City Council.

The following summarizes the City's initial Plan of Operation and Governance:

Overview: The Aggregation Program is a public utility of the City of Fostoria, Ohio, which will replace the current natural gas service. The program will run for a trial term.

Initially, each eligible customer of Columbia Gas of Ohio (CGO) that uses natural gas within the City's corporate limits will be automatically enrolled in the Aggregation Program on a non-discriminatory basis. However, prior to enrolling each customer will receive a notice from the City detailing the Aggregation Program rates, terms and conditions.

Each consumer will then have a 21-day period to opt out of the Aggregation Program without charge. Consumers opting out of the program will remain on CGO Standard General Service Rate until such time as they select an approved CNGSS Provider. A similar 21-day opt-out period will be offered at least every two years during which time consumers can leave the Aggregation Program without paying an early termination fee.

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

The Aggregation Program covers the gas supply portion only of a participant's natural gas bill. CGO will continue to deliver natural gas to Aggregation Program participants through its natural gas distribution system.

The City plans to use CNG Standard Billing Service in which each consumer account receives one bill. However, the charges for the gas phone numbers will be available to address consumer questions and concerns.

Published: May 24 and 31, 2006.

Exhibit A

# CITY OF FOSTORIA

## PLAN OF OPERATION AND GOVERNANCE FOR MUNICIPAL OPT-OUT NATURAL GAS AGGREGATION

ADOPTED BY CITY COUNCIL

20 June 2006

## **Overview**

At the May 2, 2006 primary election, local residents authorized the City of Fostoria (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.

### **1. 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 Fostoria 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 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 Safety Service Director, who shall report to the Mayor. The Safety Service Director, 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 Safety Service Director with the advice and counsel of the City Attorney.

Due to the complexity of the natural gas utility industry and the uncertainties of its associated restructuring activities, the Safety Service Director 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 customer 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.

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 non-discriminatory 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.

The Fostoria 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 Fostoria 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 resell 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 Fostoria 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
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.

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. 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.

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

After contract approval by the Fostoria 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 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 quarterly 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 ½ percent per month for overdue balances owed to the selected supplier.

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

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 either the office of the Director of Administration, City of Fostoria. 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	COH	800-344-4077
Turn natural gas on or off	COH	800-344-4077
Meter reading/billing	COH	800-344-4077
To enroll in or opt-out of the Aggregation Program	CRNS Provider –	800 - ###-####
Aggregation Program Questions or concerns	Safety Service Director	419-435-2561
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)

#### **8. 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 automatically 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.

The same rule will apply to participants who move within the City after the initial opt-out period, if they are given a new account number by COH. That is, they will not be automatically included in the Program, but will be given an opportunity to re-enroll under a new set of rates, terms and conditions.

#### **9. 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.

#### **10. 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 automatically 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.

#### **DEFINITIONS**

##### *Aggregation*

The process of 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 Fostoria's Municipal Natural gas Aggregation Program.

##### *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 Fostoria'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 4928.20 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.

### *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 Fostoria's Municipal Natural gas Aggregation Program.

### *Public Utilities Commission of Ohio (PUCO)*

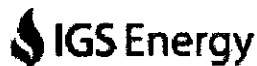
The state agency charged with assuring all consumers (residential commercial and industrial) served by investor-owned utilities has access to adequate, safe, and reliable utility services at fair prices. The PUCO regulates a wide variety of investor-owned utilities, including natural gas, electricity,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

**EXHIBIT B-3**

**AUTOMATIC AGGREGATION  
DISCLOSURE**

EXHIBIT B-4

**OPT-OUT NOTICE**



P.O. Box 8080 Dublin, OH 43017 | [www.igsenergy.com](http://www.igsenergy.com) | Fax: 1-800-584-4639

December 17, 2007

Dear City of Fostoria Resident:

The City of Fostoria is providing you with the opportunity to participate with other City of Fostoria residents in a natural gas governmental aggregation program, with IGS Energy (IGS) as your supplier of gas.

Fostoria City Council passed ordinance No. 2006-14 on February 7, 2006 adopting this program after Fostoria voters approved the implementation of the program. The aggregation program for Fostoria will begin within one to two Columbia Gas of Ohio (Columbia) billing periods and end with your December 2008 billing period.

**You will be automatically enrolled in Fostoria's Natural Gas Aggregation Program unless you choose to "opt out" – that is, affirmatively choose to not participate.** If you want to be excluded from the City of Fostoria Natural Gas Aggregation Program, you must return the enclosed "Opt-Out" Form or contact IGS at 1-800-280-4474 by January 11, 2008. If you do not cancel or opt-out at this time, you will be enrolled in the program until it expires with your December 2008 billing period.

Your new price under this program will be **\$1.045 per CCF** starting within one to Two Columbia billing periods and will continue through your December 2008, billing period. This new rate of \$1.045 per CCF represents more than a **14% decrease** compared to your community's current aggregation rate.

After your December, 2008 billing period, if this program continues, IGS will notify you of your new rate for the period January, 2009 through December, 2009 and you will automatically continue at that rate unless you choose to cancel. There is no cost to enroll. There is no cost to cancel. You will automatically be included unless you contact IGS to opt out of the program. Please refer to the attached Terms and Conditions for full details of this offer.

Under this aggregation, Columbia will continue to maintain the pipeline system that delivers natural gas to your home or business. You will continue to receive a single bill from Columbia for your natural gas service and it will include your new gas supply charge from IGS. You will still contact Columbia regarding loss of gas service, odor of gas, or for any other concerns or issues having to do with your local service. Budget billing and automatic billing options will continue to be available through Columbia.

If you have any questions please call IGS at 1-800-280-4474, weekdays, from 8:00 a.m. to 8:00 p.m. EST. For general information on natural gas deregulation in Ohio, you can also visit the Web Site of the Public Utilities Commission of Ohio ([www.PUCO.ohio.gov](http://www.PUCO.ohio.gov)).

Sincerely,

The City of Fostoria and IGS Energy

*P.S. Remember to return the "Opt-Out" form only if you do not want to participate in the City of Fostoria Natural Gas Aggregation Program.*

If the home or small business for which you have received this letter is not located within the City limits of Fostoria, you have received this letter in error. Please contact Interstate Gas Supply at 800-280-4474 to be removed from the aggregation list.

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

Tear along dotted line .....

**OPT-OUT Form**

Opt Out New COH Fostoria 1208-091

I wish to opt out of the City of Fostoria Natural Gas Governmental Aggregation Program

12-digit account number as it appears on your current natural gas bill:

(Check box to opt out.)

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☐

Name (Please Print) \_\_\_\_\_

Street Address \_\_\_\_\_

City State Zip \_\_\_\_\_

Phone Number \_\_\_\_\_

Signature (Required) \_\_\_\_\_





**Term:** The term of this government aggregation program (Program) will begin within my next one to two billing cycles and will continue through my December 2008 billing cycle unless this program is extended by my governmental aggregator. In which case, the program will continue through my December, 2009 billing cycle. Interstate Gas Supply, Inc. (IGS) will supply the commodity portion of my natural gas and Columbia Gas of Ohio (COH) will continue to be my Natural Gas Distribution Company (NGDC). I can contact the IGS choice department by phone at 1-800-280-4474, by fax at 614-923-0470, in writing at P.O. Box 9060, Dublin, OH 43017, or through their web site at <http://www.igsenergy.com>.

**Regulatory:** The NGDC's choice program and my governmental aggregator (e.g., municipality) are subject to ongoing Public Utilities Commission of Ohio (PUCO) jurisdiction, and I understand that if the choice program or this Program is terminated, this Agreement may be terminated, without penalty to either party.

**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 all 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 available. 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 14 days written notice if I fail to pay the bill or meet any other 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. Other than for operation, maintenance, assignment and transfer of my account or, where IGS is performing billing services, for commercial collection, IGS will not disclose my account number without my affirmative written consent or electronic authorization or pursuant to a court or Commission order and that, other than for credit checking and credit reporting, if IGS is performing billing services, IGS will not disclose my social security number without my affirmative written consent or pursuant to a court order. I authorize IGS to obtain my billing payment and usage history from the NGDC.

**Contact and Dispute Resolution:** 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 or concerns 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](http://www.igsenergy.com). Also, I can contact IGS through e-mail at [choice@igsenergy.com](mailto:choice@igsenergy.com). If my questions or concerns are not resolved after I have called IGS, or for general utility information, residential and business customers may call the PUCO toll free at 1-800-688-7828 or for TDD/TTY toll free at 1-800-688-1570, from 8:00 a.m. to 5:30 p.m. weekdays, or visit the PUCO website at [www.puco.ohio.gov](http://www.puco.ohio.gov). The Ohio Consumers Counsel (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](http://www.pickocc.org).

**Jurisdiction:** The parties agree that if the customer is unable to resolve its issues through the PUCO as detailed under "Contract and Dispute Resolution" above, or if suit is filed, any legal action involving this Agreement will be brought only to the PUCO, a court of the State of Ohio sitting in Franklin County, Ohio, or the United States District Court sitting in Franklin County, Ohio. I submit to the personal jurisdiction in such courts and irrevocably waive any objections that I have or might have in the future to such courts as the proper forum for any and all actions arising under this Agreement. The parties agree that this Agreement will be interpreted under the laws of the State of Ohio, regardless of Ohio's choice of law provisions.

**Price:** My price through my December 2008 billing cycle will be \$1.045 per CCF, which does not include applicable sales tax or NGDC transportation and other charges. Beginning with my January 2009 billing cycle and thereafter, the governmental aggregator, with the consent and agreement of IGS, will have the right to determine the price of my gas through my December 2009 billing cycle on this Program and to establish a price for my natural gas for any month or months and for all or part of my volume consumed in the month(s), based on 106% of the applicable New York Mercantile Exchange (NYMEX) Futures price of gas in DTH, plus \$.170 per CCF. In the event the governmental aggregator does not establish the price as described herein, the price for all natural gas delivered by IGS to the NGDC's city gate and billed by the NGDC will be established as a monthly variable rate determined each month by 106% of the applicable NYMEX closing monthly price of gas in DTH, plus \$.170 per CCF.

**Renewal:** If the governmental aggregator chooses to renew this Program through my December 2009 billing cycle then I will be notified of the renewal along with any material changes to the Program and I will automatically continue on the program through my December 2009 billing cycle, unless I cancel my participation in the program as provided below. If the governmental aggregator chooses not to renew this Program then the Program will terminate with my December 2008 billing cycle. The governmental 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 Program without penalty, as long as the Program continues.

**Rescission Period:** I understand that if I am new to the program the NGDC 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 the NGDC in writing or by calling them at the number listed on the confirmation notice. If I currently participate in the program the NGDC will not send notice of transfer of service. If I do not otherwise rescind, I understand that as part of a government opt-out aggregation, I will be included in the Program unless I notify IGS within 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 applicable 7-day rescission period or within 21 days of the initial notice date of the Program. I will also be permitted to cancel my enrollment in the Program, with no fee, during each two year renewal period as described above. At any other time, either party may cancel this Agreement during the term of this Program by giving thirty days notice to the other. If I switch my services back to the NGDC or another supplier, this Agreement will be terminated. I acknowledge that if I return to the NGDC, I may be charged a price other than the GCR rate and a switching fee may apply.

**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 NGDC's service territory, this Agreement will automatically terminate with no penalty to either party. If I move to another address within the NGDC service territory, either party may terminate this Agreement with no penalty. However, if I relocate within the NGDC 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 NGDC account number, and I hereby authorize IGS to enroll me, and I authorize the NGDC to move this Agreement to my new location. 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 eligible to participate in the Program. IGS reserves the right, at any time and in its sole discretion, to terminate service to customer locations that are enrolled but were or are not eligible to participate, with no penalty to either party. Furthermore, participation in the program is subject to the rules of the NGDC, your governmental aggregator, and the PUCO. Additionally, customers are sometimes terminated either in error or for being in arrears. In such instances, I can contact the NGDC 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 IGS will 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.

## NOTICE

**Return the "Opt-Out" form only if you do not want to participate in the City of Fostoria Natural Gas Aggregation Program.**

**Opt Out New COH Fostoria 1208 -09**

**Must Be Received by January 11, 2009**

to:

Natural Gas Governmental Aggregation Program

PO Box 9060

Dublin, Ohio 43017-0960

GC2410353

EXHIBIT B-5

**EXPERIENCE**

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

- Water and Sewer Service
- Police and Fire Service
- Parks and Recreation

The Mayor, City Council and City Staff routinely negotiate for services and supplies that benefit the residents of Fostoria.

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 Fostoria 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").
- 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**

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.