

FILE

24

RECEIVED-DOCKETING DIV  
2008 OCT -8 AM 8:57

PUCO



THE E GROUP

395 Ghent Road  
Akron, Ohio 44333  
Ph: 330-315-3613  
Fax: 330-777-6493  
Email: tsiudak@e-grp.com

October 7, 2008

Public Utilities Commission of Ohio  
Docketing Division, 13<sup>th</sup> Floor  
180 East Broad Street  
Columbus, Ohio 43215-3793

Re: Application for Renewal of Electric Governmental Aggregation – City of Parma

To Whom It May Concern:

Enclosed you will find 10 copies and 1 original of the City of Parma Electric Municipal Aggregation Renewal Certification Application, as per the instructions for filing. Please docket this renewal application in Case 00-1926-EL-AGG.

If you have any questions or concerns, please don't hesitate to contact me.

Sincerely,

Tom Siudak,  
Energy Advisor – The E Group

Enclosures

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 TM Date Processed 10/8/2008



*The Public Utilities Commission of Ohio*

<b>Original GAG Case Number</b>	<b>Version</b>
<b>00 - 1926-EL-GAG</b>	<b>August 2004</b>

## **RENEWAL APPLICATION FOR GOVERNMENTAL AGGREGATORS**

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

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

### **A. RENEWAL INFORMATION**

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

Legal Name City of Parma  
Address 6611 Ridge Rd, Parma, Ohio 44129-5593  
PUCO Certificate # and Date Certified 00-1926-EL-GAG Certified 11-13-2000  
Telephone # (440) 885-8132 Web site address (if any) www.parma-oh.com

#### **A-2 Exhibit A-2 "Authorizing Ordinance" provide a copy of the ordinance or resolution authorizing the formation of a governmental aggregation program adopted pursuant to Section 4928.20(A) of the Revised Code.**

#### **A-3 Exhibit A-3 "Operation and Governance Plan" provide a copy of the applicant's current plan for operation and governance of its aggregation program adopted pursuant to Section 4928.20(C) of the Revised Code. The Operation and Governance Plan explained in Exhibit A-3 should include:**

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

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

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

Name Tom Siudak  
Title Energy Advisor  
Business address 395 Ghent Rd, Akron, OH 44333  
Telephone # (330) 315-3613 Fax # (330) 777-6493  
E-mail address (if any) tsiudak@e-grp.com

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

Name Tom Siudak  
Title Energy Advisor  
Business address 395 Ghent Rd, Akron, OH 44333  
Telephone # (330) 315-3613 Fax # (330) 777-6493  
E-mail address (if any) tsiudak@e-grp.com

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

Customer Service address The E Group, 395 Ghent Rd, Akron, OH 44333  
Toll-free Telephone # (888) 809-8436 Fax # (330) 777-6493  
E-mail address (if any) tsiudak@e-grp.com

Tin Dobek, Parma Law Director  
Signature of Applicant & Title

Sworn and subscribed before me this 6<sup>th</sup> day of October, 2008  
Month Year

Barbara J. Wirtz  
Signature of official administering oath

Barbara J. Wirtz, Notary Public  
Print Name and Title

My commission expires on 10-14-2012

# **AFFIDAVIT**

State of Ohio :

Parma ss.  
(Town)

County of Cuyahoga:

Timothy G. Dobeck, Affiant, being duly sworn/affirmed according to law, deposes and says that:

He/She is the Law Director (Office of Affiant) of City of Parma (Name of Applicant);

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

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

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

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

Tim Dobesh, Case Director, Penn  
Signature of Affiant & Title

Sworn and subscribed before me this 6<sup>th</sup> day of October, 2008  
Month Year

Barbara J. Wintz  
Signature of official administering oath

Barbara J. Wintz, Notary  
Print Name and Title Public

My commission expires on 10-14-2012

---

**EXHIBIT A-2**  
**AUTHORIZING ORDINANCE**

Exhibit A-2  
"Authorizing Ordinance"

12/6/99

L-337-99 vas  
(Substitute)

## RESOLUTION NO. 363-99

BY: JOHN R. STOVER, ANTHONY C. ZIELINSKI, TIMOTHY J. DEGENER  
ROY J. JECH, PAUL T. KIRNER, DEBORAH LINE, MIKE LOUIS

A RESOLUTION DIRECTING THE CUYAHOGA COUNTY BOARD OF ELECTIONS TO SUBMIT ON THE BALLOT THE QUESTION "SHALL THE CITY OF PARMA ACT AS AN AGGREGATOR [PURCHASING AGENT] AND ENTER INTO AN AGREEMENT WITH AN ELECTRIC SUPPLIER ON BEHALF OF THE RESIDENTS OF THE CITY OF PARMA FOR ELECTRICAL POWER IN THE YEAR OF 2001", AND DECLARING AN EMERGENCY

WHEREAS, the Ohio General Assembly has passed Substitute Senate Bill 3, which permits municipalities to aggregate (act as a purchasing agent) for groups of consumers within their jurisdiction; and,

WHEREAS, Parma City Council had passed Resolution No. 204-97, which proposed the aggregation of natural gas and electric power to reduce consumer costs; and,

WHEREAS, municipal aggregation would permit residential consumers to realize lower electric rates due to the collective purchasing power of electric services; and,

WHEREAS, the City of Parma must submit a Resolution to the Board of Elections to submit the question to aggregate and must be approved by a majority of electors; and,

WHEREAS, if a majority of electors approve the City of Parma to act as an aggregator, aggregation will occur automatically on behalf of all residents, however, residents will have the opportunity to opt-out of any program and/or agreement with an electric supplier;

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF PARMA, STATE OF OHIO:

Section 1. The Cuyahoga County Board of Elections is hereby directed to submit the question "Shall the City of Parma have authority to act as an aggregator [purchasing agent] and enter into an agreement with an electric supplier on behalf of the residents of Parma for electrical power in the year of 2001?" be submitted to the electors of the City of Parma at the primary election date on March 7, 2000, and said election shall be held at the regular places of voting in said City as established by the Board of Elections of Cuyahoga County, Ohio, or otherwise, within the time permitted by law and shall be conducted, canvassed and certified in the manner provided by law.

Section 2. That if a majority of electors of the City of Parma approve the measure giving the City authority to act as an aggregator [purchasing agent], then aggregation shall automatically occur subject to Chapter R.C. 4928.

Pg. 2 of L-337-99 Res. directing the Cuyahoga County Board of Elections to submit on the ballot the question "Shall the City of Parma act as an aggregator [purchasing agent] and enter into an agreement with an electric supplier on behalf of the residents of Parma for electrical power in the year of 2001", and declaring an emergency

Section 3. Notice of the adoption of this Resolution shall be given once by publishing the title of the Resolution and an abstract prepared by the Director of Law in a newspaper of general circulation in the City.

Section 4. That the Clerk of Council is hereby directed immediately to certify a copy of this Resolution to the Board of Elections of Cuyahoga County, Ohio.

Section 5. That it is found and determined that all formal actions of this Council concerning and relating to the adoption of this Resolution were adopted in an open meeting of this Council, and that all deliberations of this Council and any of its committees that resulted in such formal action were in meetings open to the public in compliance with all legal requirements.

Section 6. That this Resolution is hereby declared to be an emergency measure necessary for the immediate preservation of the public health, safety, and welfare of the City of Parma, and for the further reason that this measure is necessary in order to present the question to voters in the Primary Election of 2000, and this Resolution shall become immediately effective upon receiving the affirmative vote of two-thirds of all members elected to Council and approval of the Mayor, otherwise from and after the earliest period allowed by law.

PASSED: December 20, 1999 /s/ Charles M. Garmena  
PRESIDENT OF COUNCIL

ATTEST: /s/ Michael F. Hughes APPROVED: December 21, 1999  
CLERK OF COUNCIL

FILED WITH  
THE MAYOR: December 21, 1999 /s/ Gerald M. Boldt  
MAYOR, CITY OF PARMA, OHIO



**EXHIBIT A-3**  
**OPERATION AND GOVERNANACE PLAN**

## City of Parma Plan of Operation and Governance

### BACKGROUND AND DEFINITIONS

By affirmative vote of a majority of the electorate, the City of Parma ("Parma" or "The City") passed legislation on March 7, 2000, authorizing it to become a municipal aggregator subject to certification by the Public Utilities Commission of Ohio, pursuant to Chapter 4928 of the Ohio Revised Code ("ORC"). A description of how the plan will operate is set forth below. In order to clarify certain terminology, the following terms shall have the meanings set forth below:

"Aggregation Services Provider" means the entity responsible to provide the required service related to "Government Aggregation" as defined in section 4928.20 of the Ohio Revised Code and applicable provisions of the Public Utilities Commission rules.

"Government Aggregator" means a legislative authority of a municipal corporation acting as an aggregator for the provision of a competitive retail electric service under the authority conferred under section 4928.20 of the Ohio Revised Code.

"Member" means a person enrolled in Parma's government aggregate group for competitive retail electric services.

"Retail Electric Generation Provider" means the entity Certified by the Public Utilities Commission of Ohio and responsible to provide competitive retail electric service(s).

"Shopping Credit" means the cost of the competitive retail energy service portion of the unbundled tariff provided by The Illuminating Company.

"Competitive Retail Electric Service" means a component of electric retail service that is deemed competitive pursuant to the Ohio Revised Code or pursuant to an order of the Public Utilities Commission of Ohio.

### OPERATIONAL PLAN:

#### Aggregation Services

Parma will use a contractor ("Aggregation Services Provider") to perform and manage aggregation services for its Members.

**Database:** The Aggregation Services Provider will build and maintain a database of all Members. The database will include the name, address, The Illuminating Company account number, and Retail Electric Generation Provider's account number of the Member, and other pertinent information such rate code, rider code (if applicable), most recent 12 months of usage and demand, and meter read cycle. This database will be updated at least quarterly. Accordingly, the Aggregation Services Provider will develop a process to be implemented that

will be able to accommodate at a minimum Members who (i) leave the program due to relocation, opting out, etc. (ii) decide to enter the program; (iii) relocate within the City.

**Member Education:** The Aggregation Services Provider will develop an educational program that generally explains the aggregation program to Members, provides updates and disclosures mandated by the ORC, and implements a process to deal with allowing any person enrolled in the Aggregation Program the opportunity to opt out of the program at least every two years, without paying a switching fee, Member inquiries and complaints. See Appendix A for a detailed description of the Education Process.

**Retail Electric Generation Provider Selection Process:** The Aggregation Services Provider shall develop recommendations for Parma to retain a Retail Electric Generation Provider, develop a procurement strategy, administer the RFP process as appropriate, evaluate responses, select the supplier and negotiate a supply contract. Included in the process will be the development of the screening criteria to be used in the selection process, which, at a minimum, will include price, financial wherewithal, experience, and references. The City will provide the Aggregation Services Provider with the boundaries, constraints, and minimum requirements that will need to be included in any supplier contract. See Appendix B for a detailed description of the Generation Provider Selection Process.

Parma will contract with a qualified Retail Electric Generation Provider to provide Competitive Retail Electric Services. The Aggregation Services Provider will provide Parma with Retail Electric Generation Provider recommendations. The selected Retail Electric Generation Provider must provide adequate, accurate, and understandable pricing terms and conditions of service, including any switching fees and the conditions under which a Member may rescind a contract without penalty. The Retail Electric Generation Provider must provide the Aggregation Services Provider with an electronic file containing the Members usage, charges, and demands (if applicable) and any other pertinent information. The Retail Electric Generation Provider must have a local Parma phone number or a toll free number for Members to call.

**Customer Service and Billing:** The Aggregation Services Provider will develop a customer service process, to be administered by the Aggregation Services Provider, the Retail Electric Generation Provider, or their designated agent, that at a minimum will be able to accommodate (i) Member inquiries and complaints about billing; and (ii) answer questions regarding the program in general. This process will include at a minimum a description of how telephone inquiries will be handled, either internally or externally, how invoices will be prepared, how remittance of payment will be dealt with, and how collections for delinquent accounts will be addressed. See Appendix C for a detailed description of the Customer Service Plan.

Parma will use the Retail Electric Generation Provider, or it's designated agent to provide billing services to each Member for the Competitive Retail Electric Services plus an administrative fee (if required) to fund Parma's Aggregation Services. The billing statement will be rendered by the Retail Electric Generation Provider or The The Illuminating Company and will be consistent with all applicable guidelines issued by the Public Utilities Commission of Ohio. As this market develops, Parma may change this function from the Retail Electric Generation Provider to a billing agency or under the role of the Aggregation Service Provider.

**Compliance Process:** The Aggregation Services Provider will develop internal controls and processes to ensure that the City remains in good standing as a Government Aggregator that complies with all laws, rules and regulations surrounding the same, as they may be amended from time to time. It will be the Aggregation Services Provider's responsibility to deliver periodic reports that will include at a minimum (i) the number of Members participating in the Program; (ii) the total savings or increase from the previous year's baseline; and (iii) a reconciliation of the cash remitted from Members and the amount paid to suppliers. The Aggregation Services Provider will also develop a process to monitor and provide notification of any changes in laws, rules or regulations.

**Services to be provided to members:** The Parma aggregation program will contract with a Certified Retail Electric Generation Provider to provide retail electric generation service to residential and business customers on selected Illuminating Company rates. The services that will be provided under the aggregation effort, the policies for the inclusion and exclusion of members, and the Terms and Conditions of service are included in Appendix D.

### **GOVERNANCE GUIDELINES**

At a minimum, the following guidelines will apply in the Aggregation Program:

- City Council shall approve through Resolution or Ordinance the Contracts entered into by Parma with the Aggregation Services Provider, the Retail Electric Generation Provider, and any other contracts exceeding \$15,000 entered into by Parma for the Aggregation program.
- City Council shall approve through Resolution or Ordinance the Plan of Operation and Governance for the aggregation program and any Amendments thereto.
- The City will bid for Aggregation Services Provider services at least every 5 years.
- The City will select a Retail Electric Generation Provider at least every 5 years.
- Parma shall contract with only Retail Electric Generation Providers certified by the Public Utilities Commission of Ohio for the provision of Competitive Retail Electric Service to the aggregation program members.
- The City will require any Aggregation Services Provider, and Retail Electric Generation Provider to disclose any subcontractors that it uses in fulfillment of the services described above.
- The City will require the Aggregation Services Provider and the Retail Electric Generation Provider to maintain either a toll free telephone number, or a telephone number that is local to City residents who are Members.
- All costs of the aggregation program should be paid either through the general fund and/or through the inclusion of a fee that will be included in the generation charge. No direct fees shall be charged for enrollment.
- Oversight of the aggregation program will be the responsibility of the Service Director, who shall report to the Mayor. This individual will have the authority to develop bid specifications for the Aggregation Services Provider, and then select, hire, and manage the Aggregation Services Provider.
- The Aggregation Services Provider will be responsible for making recommendations regarding the selection and performance of the Retail Electric Generation Provider. The Aggregation Services Provider will work under the direction of the Service Director with advice and Counsel of the Law Director.

## **Appendix A Education Process.**

The Aggregation Services provider will develop the educational program. Its purpose will be to explain the aggregation program to its members, provide updates and disclosures as mandated by the ORC, and provide the opportunity for the members to opt out of the program. The following are the program components.

1. Each residential customer and business within the limits of The City of Parma included in the aggregation program will receive via U.S. Mail notification of:
  - a. What government aggregation means including a summary of the actions that were taken to authorize the aggregation program
  - b. Their membership in the government aggregation program
  - c. A description of the services that will be provided under the aggregation
  - d. Disclosure of any limitations or conditions on customer acceptance into the aggregation.
  - e. the procedure which must be followed in order to opt out of the program
  - f. the price of generation service that they can expect to receive as a member of the program
  - g. the terms and conditions of service, including an itemized list and explanation of all fees and charges that will be charged to the customer for participation in the aggregation program, including any applicable switching fees or early termination penalties. The terms and conditions will include credit and/or deposit policies and requirements.
  - h. Disclosure of the dates covered by the aggregation program and including an estimated service commencement date
  - i. A local or toll free telephone number that customers can call with questions regarding the formation or operation of the aggregation, including associated calling hours.
  - j. The deadline for returning the opt out form to opt-out of the City of Parma government aggregation plan will be at least twenty-one days from the date of the postmark on the written notice.
2. The Aggregation Services Provider will work with the City of Parma to determine meetings that would be helpful to attend to educate members about the program. These might include Chamber of Commerce, City Council, Kiwanis, Lion's Club, etc. The Aggregation Services Provider will attend these events to present information and answer questions about the aggregation program.
3. The Aggregation Services Provider will assess whether advertising in the local newspaper is needed to better educate the community.
4. The Aggregation Services Provider will provide updates and disclosures as mandated by the ORC.
5. The opt out opportunity will be provided to the members of the program at least every two years. Should conditions, suppliers, price, or any other component of the program change within the two-year period, an assessment will be made whether another opt out opportunity is warranted.

**4901:1-21-17 Opt-out disclosure requirements.**

(A) Prior to including a customer's electric account or accounts in the aggregation, the City of Parma will provide each eligible customer written notice that the customer's account(s) will be automatically included in the aggregation unless the customer affirmatively opts out of the aggregation. The notice will, at a minimum, include:

- (1) A summary of the actions that the governmental entity took to authorize the aggregation.
- (2) A description of the services that the City of Parma will provide under the aggregation.
- (3) Disclosure of the price that the City of Parma will charge Members for Competitive Retail Electric Service. If the price is a fixed rate, the City of Parma shall express the price in cents per kilowatt hour. If a variable rate is offered, it will be accompanied by an understandable description of the factors that will cause the price to vary (including any associated indices) and disclose how frequently the rate will change. If the City of Parma charges different rates to different rate classes within the aggregation, the City of Parma will disclose the applicable rate(s) to Members within each rate class.
- (4) An itemized list and explanation of all fees and charges that are not incorporated into the rates charged for electricity generation that the City of Parma or its selected Retail Electric Supplier will charge the Member for participating in the aggregation, including any applicable switching fees or early termination penalties. These switching fees and/or early termination penalties will not apply to a Member that moves out of the City of Parma territory.
- (5) Disclosure of the dates covered by the aggregation, including an estimated service commencement date, and notice that the Member may opt-out of the aggregation at least every two years without penalty.
- (6) A statement informing Members that if they switch back to The Illuminating Company, they may not be served under the same rates and conditions that apply to other Members served by The Illuminating Company.
- (7) Disclosure of any credit and / or deposit policies and requirements.
- (8) Disclosure of any limitations or conditions on customer acceptance into the aggregation program.
- (9) A description of the process and associated time period for customers to opt-out of the aggregation. The process shall include provisions for residential, commercial, Industrial, and municipal accounts to return a post card or similar notice to the City of Parma or its Aggregation Services Provider. The process may include, in addition, other opt out methods, such as telephonic or internet notice, provided that these alternative methods provide for verification of a Member's election to opt-out of the aggregation program. The time period for a customer to choose to opt-out of the aggregation program will extend at least twenty-one days from the date of the postmark on the written notice. If a Member's return post card or notice is postmarked

before the opt-out deadline has elapsed, the customer will be deemed to have opted out of the aggregation program.

(10) A local or toll free telephone number, with the available calling hours, that customers may call with questions regarding the formation or operation of the aggregation program.

(B) At least every **two years** from the establishment of its initial aggregation pool, the City of Parma will provide notice to all Members served by the aggregation of their right to opt-out of the aggregation without penalty. This notice will follow the procedures established for the initial opt-out notice set forth in this rule and will prominently disclose to Members all changes to the terms and conditions associated with the aggregation.

(C) No Retail Electric Generation Provider serving the City of Parma Members will impose any terms, conditions, fees, or charges served by a Retail Electric Generation Provider unless the particular term, condition, fee, or charge was clearly disclosed to the Member at the time the Member chose not to opt-out of the aggregation program.

(D) To assist its preparation and dissemination of required opt-out notices, a Government Aggregator which is certified by the commission may request that The Illuminating Company provide it with an updated list of names, addresses, account numbers, rate codes, percentage of income payment plan codes, load data, and other related customer information. The Government Aggregator will not, without the customer's expressed written consent, disclose or use for any purpose, other than formation and operation of its aggregation, a customer's account number or social security number or any information regarding customers who opted off of The Illuminating Company's pre-enrollment list. Before the City of Parma any customer account number, service delivery identification number, or social security number or any information related to a customer who has opted off of The Illuminating Company's pre-enrollment list, the governmental aggregator shall obtain the signature of the Member on a release. The release will be on a separate piece of paper. The release will be clearly identified on its face as a release of personal information and all text appearing on the release will be in at least sixteen-point type. The following statement shall appear prominently on the release, just prior to the signature, in type darker and larger than the type in surrounding sentences: **I realize that under the rules and regulations of the public utilities commission of Ohio, I may refuse to allow the City of Parma to release the information set forth above. By my signature, I freely give the City of Parma permission to release the information designated above.** The information that the City of Parma seeks to release shall be specified on the form. Forms requiring a Member to circle or to check off preprinted types of information to be released may not be used.

(E) The City of Parma will use its best efforts to ensure that only eligible Member accounts within its governmental boundaries and Members who have not opted-out are included in its aggregation. If ineligible accounts, accounts from outside of the City of Parma's governmental boundaries, or accounts for Members who opted-out of the aggregation are switched to the governmental aggregation, the City of Parma will promptly contact The Illuminating Company to have the Member switched back to the Member's former supplier. The City of Parma will reimburse the Member for any switching fees that were paid by the Member as a result of the switch. In addition, if the Member's former rate was less than the

rate charged by the City of Parma, then the City of Parma will reimburse the Member the difference between the Member's former rate and the City of Parma's rate multiplied by the Member's usage during the time that the Member was served by the City of Parma.



## Appendix B Generation Provider Selection Process.

### Generation Provider Selection Process:

1. The Aggregation Service Provider shall develop recommendations for Parma to become or retain a Retail Electric Generation Provider. The recommendation will be made based on a criteria jointly developed by the Aggregation Service Provider and The City. The criteria shall include the following:
  - (a) Provide the lowest rates for Competitive Retail Electric Service to the Members.
  - (b) The ability of the City to contract to third Parties ("required subcontractors") for the execution of the Customer Service Plan, including credit and collections.
  - (c) The ability of the City to contract to third Parties to take on the Financial Risks of a Retail Electric Generation Provider. ("required subcontractors")
2. The Aggregation Service Provider will develop a screening criteria to be used in the selection process for a Retail Electric Generation Provider or required subcontractors should Parma elect to become a Retail Electric Generation Provider, which, at a minimum, will include price, financial wherewithal, experience, ability to implement the Customer Service Plan, and references. The City will provide the Aggregation Services Provider with the boundaries, constraints, and minimum requirements that are required of a Retail Electric Generation Provider
3. The Retail Electric Generation Provider or required subcontractors will be selected through a request for proposal process that will be developed by The Aggregation Service Provider and reviewed and approved by The City. The process will include the following:
  - a. The Aggregation Service Provider will organize the bid process.
  - b. The Aggregation Service Provider will develop a list of qualified suppliers.
  - c. The City will review and approve list of qualified suppliers
  - d. The Aggregation Service Provider will develop request for proposal
  - e. The City will review and approve request for proposal prepared by the Aggregation Service Provider.
  - f. The Aggregation Service Provider will send request for proposal to list of qualified suppliers.
  - g. The Aggregation Service Provider will respond to suppliers' questions.
  - h. The Aggregation Service Provider will manage and organize the bids.**
  - i. The Aggregation Service Provider will discuss and clarify bidder's proposal.
  - j. The Aggregation Service Provider will analyze bids and compare to shopping credits.
  - k. The Aggregation Service Provider will recommend a short list of suppliers to the City.
  - l. The Aggregation Service Provider will report and present recommendations to the City.
  - m. The Aggregation Service Provider will negotiate price, terms and conditions with selected bidders.
  - n. The City will execute the contract with the Retail Electric Generation Provider

## **Appendix C Customer Service Plan.**

### **Member Access and Complaint Handling:**

#### **Member Access:**

1. The City shall require the Retail Electric Generation Provider to ensure Members reasonable access to its service representatives to make inquiries and complaints, discuss charges on Member bills, and transact any other business.
2. Telephone access shall be toll free and afford Members prompt answer times during normal business hours.
3. The City shall require the Retail Electric Generation Provider to provide a 24-hour automated telephone message instructing callers to report any service interruptions or electrical emergencies to The The Illuminating Company.

#### **Member Complaints:**

1. The City shall require the Retail Electric Generation Provider to investigate Member complaints (including Member complaints referred by The Illuminating Company ) and provide a status report within five calendar days following receipt of the complaint to:
  - a) The consumer and the Aggregation Services Provider, when the complaint is made directly to the Retail Electric Generation Provider; or
  - b) The consumer, the Aggregation Services Provider, and the Public Utilities Commission of Ohio Staff ("Commission Staff"), when a complaint is referred to the Retail Electric Generation Provider by the commission staff.
2. If an investigation is not completed within 14 calendar days, the Retail Electric Generation Provider shall provide status reports to the consumer and the Aggregation Services Provider, or if applicable, to the consumer and the Aggregation Service Provider and the commission staff. Such status reports shall be provided at five-day intervals until the investigation is complete, unless the action that must be taken will require more than five days and the Member has been so notified.
3. The City shall require the Retail Electric Generation Provider to inform the consumer, the Aggregation Services Provider, or the consumer, the Aggregation Services Provider, and commission staff, of the results of the investigation, orally or in writing, no later than five calendar days after completion of the investigation. The consumer, the Aggregation Services Provider, or commission staff may request the report in writing.
4. If a Commercial, Industrial, and Municipal or small commercial consumer disputes the Retail Electric Generation Provider's report, the Retail Electric Generation Provider shall inform the consumer that the commission staff is available to help resolve informal complaints. The Retail Electric Generation Provider shall provide the consumer with the current address, local/toll free telephone numbers, and TDD/TTY telephone numbers of the Commission's consumer services department.
5. The City shall require each Retail Electric Generation Provider to retain records of Member complaints, investigations, and complaint resolutions for one year after the occurrence of such complaints, and shall provide such records to the commission staff within five calendar days of request.

6. The City shall require each Retail Electric Generation Provider to make good faith efforts to resolve disputes.

### **Member Billing and Payments**

1. Parma shall require the Retail Electric Generation Provider to bill Members directly for competitive retail electric services or arrange for The Illuminating Company or its agent to bill Members for such services according to a tariff approved by the commission.
2. Residential, Commercial, Industrial, Municipal, and small commercial Member bills issued by or for the Retail Electric Generation Provider shall be accurate and understandable, be rendered at intervals consistent with those of The Illuminating Company, and contain sufficient information for Members to compute and compare the total cost of competitive retail electric service (s). Such bills shall also include:
  - a) The Member's name, billing address, service address, the Member's EDU account number, and if applicable, The Retail Electric Generation Provider account number;
  - b) The dates of service covered by the bill, an itemization of each type of competitive service covered by the bill, any related billing components, the charge for each type of service, and any other information the Member would need to recalculate the bill for accuracy;
  - c) The applicable billing determinants, including beginning meter reading, ending meter reading(s), demand meter reading(s), multipliers, consumption(s), and demands;
  - d) For Member-generators with net metering contracts, a statement of the net metered generation;
  - e) The unit price per kWh charged for competitive service, as calculated by dividing current-period competitive service charges by the current-period consumption;
  - f) An identification of the provider of each service appearing on the bill;
  - g) A notice in bold-face type containing clear explanation for any change of providers, rates, terms, or conditions of service (such notice shall appear on the first two consecutive bills following the occurrence of any such changes, excluding the first billing after the starting date of competitive retail electric service);
  - h) The amount billed for the current period, any unpaid amounts due from previous periods, any payments or credits applied to the Member's account during the current period, any late payment charges or gross and net charges, if applicable, and the total amount due and payable.
  - i) The due date for payment to keep the account current. Such due date shall be no less than:
    - Fourteen days after the postmark date on the bill for Commercial, Industrial, and Municipal Members; and
    - Twenty-one days after the postmark date on the bill for non Commercial, Industrial, and Municipal Members;
  - j) Current balance of the account, if a Commercial, Industrial, and Municipal Member is billed according to a budget plan;
  - k) Options and instructions on how Members may make their payments;
  - l) For each provider whose charges appear on the bill, a listing of the provider's toll-free telephone number and address for Member billing questions or complaints;

- m) A listing of the toll-free consumer assistance telephone numbers and available hours for applicable state agencies, such as the commission, the Ohio consumers' counsel, and the attorney general's office;
  - n) The Illuminating Company's 24-hour local/toll-free telephone number for reporting service emergencies;
  - o) Identification of estimated bills or bills not based upon actual end-of-period meter readings for the period; and
  - p) An explanation of any codes and abbreviations used;
3. If applicable, the Retail Electric Generation Provider will, upon request, provide Members with the name and street address/location of the nearest payment center and/or authorized payment agent.
  4. If applicable, when a Member pays the bill at a payment center or to an authorized payment agent, such payment shall be credited to the Member's account as of the day it is received by such payment center or agent.
  5. Parma and the Retail Electric Generation Provider shall establish policies and procedures for handling billing disputes and requests for payment arrangements.

#### **Collections for delinquent accounts:**

1. Collections for delinquent accounts shall be the responsibility of the Retail Electric Generation Provider or its agent.
2. Parma shall approve the Collections process utilized by the Retail Electric Generation Provider, based upon the review and recommendation of the Aggregation Service Provider.
3. Parma shall prohibit the Retail Electric Generation Provider from disconnecting electric service to any Member.
4. Failure of Members to pay charges for Competitive Retail Electric Services may result in loss of those products and service; and
5. Failure to pay charges for Competitive Retail Electric Services may result in cancellation of the Member's contract with the Retail Electric Generation Provider, and return the Member to The Illuminating Company's standard offer for generation.

## **Appendix D : Services to be provided to members**

### **Determination of the Rates:**

The rates charged for Retail Electric Generation Service will be determined by adding a administrative fee on a per kWh basis to the rates for Retail Electric Generation Service proposed by the selected Certified Retail Electric Generation Provider.

### **Plan for providing the Opt-Out notice:**

See the Appendix A Education Process.

### **Process for developing pool of accounts that will be included in the aggregation:**

The accounts that will be included in the aggregation will be based on the rate codes for which favorable pricing can be obtained. The accounts located within Parma will be first identified by zip code, and the Aggregation Service Provider will provide further analysis to include accounts within the boundary and exclude accounts outside of the boundaries of the City. Only customers whose information is provided to the Aggregation Service Provider by the EDC will be eligible for participation. The Aggregation Service Provider will then exclude all customers electing to "opt-out" and all customers whose opt-out notice is returned as undeliverable.

### **Policies associated with a customer moving into the aggregation:**

A resident and business that moves into Parma, per the rules of The Illuminating Company have to take initial generation service from The Illuminating Company. At the direction of The City, but not more frequently than quarterly, the Aggregation Service Provider will perform the Education Process and opt-out process for new residents and businesses or potential new members. The disclosure form and the process will be the same as for initial members of the program, the pricing available will depend on the then current price available from the Retail Electric Generation Provider.

A resident and business that moves from an existing residence will be dropped from the existing supplier, per the rules of The Illuminating Company. No fees will be charged. If the resident and business relocates within the city of Parma, they will be treated the same as any resident and business that moves into the City of Parma.

### **Policies associated with the ability of customers who had previously opted out of the Aggregation Program:**

A resident or business that elects to "Opt-Out" of the aggregation group, will be given the opportunity to rejoin the aggregation group in the next Opt Out process following the two year anniversary of that customers election to "Opt-Out". If a resident or business would like to rejoin the group prior to the second anniversary of the original "Opt-Out", then they will be included in the next group formed for new members. Once a resident or business elects to "Opt-Out" of a given aggregation group, their re-inclusion in that given group will be at the discretion of the Retail Electric Generation Provider.

**EXHIBIT A-4**  
**OPT-OUT FORM**

December 18, 2006

Dear City of Parma Resident,

For the past 2 years, the City of Parma has been providing you with savings on the electricity you use. Through a concept called government aggregation, local officials bring together citizens to gain group buying power for the purchase of electricity from a retail electric generation provider certified by the Public Utilities Commission of Ohio. Parma voters approved this program in March 2000.

You currently have the opportunity to continue to receive savings with FirstEnergy Solutions. There is no cost and you do not need to do anything to stay in the program. The City researched options for competitive electricity pricing for you. We have again chosen FirstEnergy Solutions Corp., a subsidiary of FirstEnergy Corp., to provide you with electric generation – or the competitive portion of your electric bill through December 2008. The City is required to send you this notification at least every two years.

As a member of this program, you are guaranteed to save 6 percent on your electric supply. This percentage discount will be taken off your "generation shopping credit," which will appear on your electric bill after you have been enrolled in the City's government aggregation program. The generation shopping credit — which varies each month depending on your usage — represents the amount credited to you if you switch to an alternative supplier, such as FirstEnergy Solutions.

To estimate what your savings per kilowatt-hour will be by joining this program, locate your price to compare on your electric bill. The price to compare will help determine the money you'll save by switching to another energy supplier. Multiply your price to compare by .94 (94%). Then take that result and subtract it from your price to compare that appears on your bill to estimate how much you'll save each month on electric supply.

Of course, you are not obligated to participate in City of Parma' electric government aggregation program. You have until January 8, 2007 to return the attached "opt-out" form if you wish to be excluded from the City's electric government aggregation program and remain a full-service customer of The Illuminating Company (CEI). If you don't opt out at this time, you will receive a notice at least every two years asking if you wish to remain in the program. If you leave the program at any other time, you could be subject to a \$25 cancellation fee from FirstEnergy Solutions. If you switch back to CEI at a later date, you may not be served under the same rates, terms and conditions that apply to other customers served by CEI.

**WARNING: IF YOU ARE ALREADY IN CONTRACT WITH A COMPETITIVE RETAIL ELECTRIC SERVICE PROVIDER, OTHER THAN FIRSTENERGY SOLUTIONS, YOU MAY INCUR A CONTRACT TERMINATION FEE OR OTHER CHARGES IF YOU FAIL TO OPT-OUT OF THE AGGREGATION PROGRAM.**

In Ohio's electric environment, your local electric utility – CEI – will continue to maintain the system that transmits and delivers power to your home. You won't see any new poles or wires, and you will continue to receive a single, easy-to-read bill from your electric operating company with your FirstEnergy Solutions charges included. The only thing you'll notice is savings.

If you have any questions, please call FirstEnergy Solutions toll-free at 1-866-636-3749, Monday through Friday, 8 a.m. to 5 p.m.

Sincerely,

Eileen Mikkelsen  
Director, The E Group

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

**OPT-OUT FORM – CITY OF PARMA RESIDENTIAL ELECTRIC GOVERNMENT AGGREGATION PROGRAM**

**RESIDENT**

By returning this signed form, you will be excluded from the opportunity to join with other residents in City of Parma' Electric Government Aggregation Program.

I wish to opt out of the City of Parma Electric Government Aggregation Program.

☐

(Check box to opt out.)

Service address (City, state and zip): \_\_\_\_\_

Phone number: \_\_\_\_\_

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

Date: \_\_\_\_\_

Mail by January 8, 2007 to: City of Parma Electric Government Aggregation Program, 395 Ghent Road, Suite 413, Akron, Ohio 44333

December 18, 2006

Dear City of Parma Resident,

The City of Parma is providing you the opportunity to join with other residents to save money on the electricity you use. Savings are possible through a concept called government aggregation, where City officials bring together citizens to gain group buying power for the purchase of electricity from a retail electric generation provider certified by the Public Utilities Commission of Ohio. Parma's voters approved this program in March 2000.

There is no cost for enrollment and you will not be charged a switching fee. You do not need to do anything to participate. The City researched options for competitive electricity pricing for you. We have chosen FirstEnergy Solutions Corp., a subsidiary of FirstEnergy Corp., to provide you with electric generation – or the competitive portion of your electric bill through December 2008.

As a member of this program, you are guaranteed to save 6 percent on your electric supply. This percentage discount will be taken off your "generation shopping credit," which will appear on your electric bill after you have been enrolled in the City's government aggregation program. The generation shopping credit — which varies each month depending on your usage — represents the amount credited to you if you switch to an alternative supplier, such as FirstEnergy Solutions.

To estimate what your savings per kilowatt-hour will be by joining this program, locate your price to compare on your electric bill. The price to compare will help determine the money you'll save by switching to another energy supplier. Multiply your price to compare by .94 (94%). Then take that result and subtract it from your price to compare that appears on your bill to estimate how much you'll save each month on electric supply.

You'll see your electric savings from FirstEnergy Solutions after your enrollment has been completed and your switch has been finalized. Of course, you are not obligated to participate in City of Parma's electric government aggregation program. You have until January 8, 2007 to return the attached "opt-out" form if you wish to be excluded from the City's electric government aggregation program and remain a full-service customer of The Illuminating Company (CEI). If you don't opt out at this time, you will receive a notice at least every two years asking if you wish to remain in the program. If you leave the program at any other time, you could be subject to a \$25 cancellation fee from FirstEnergy Solutions. If you switch back to CEI at a later date, you may not be served under the same rates, terms and conditions that apply to other customers served by CEI.

**WARNING: IF YOU ARE ALREADY IN CONTRACT WITH A COMPETITIVE RETAIL ELECTRIC SERVICE PROVIDER, OTHER THAN FIRSTENERGY SOLUTIONS, PARMA'S CURRENT AGGREGATION SUPPLIER, YOU MAY INCUR A CONTRACT TERMINATION FEE OR OTHER CHARGES IF YOU FAIL TO OPT-OUT OF THE AGGREGATION PROGRAM.**

After you become a participant in this government aggregation program, CEI will send you a letter confirming your selection of FirstEnergy Solutions as your electric generation provider. As required by law, this letter will inform you of your option to cancel your contract with FirstEnergy Solutions within seven days of its postmark. To remain in the City's government aggregation program, you don't need to take any action when this letter arrives.

In Ohio's electric environment, your local electric utility — CEI — will continue to maintain the system that transmits and delivers power to your home. You won't see any new poles or wires, and you will continue to receive a single, easy-to-read bill from your electric operating company with your FirstEnergy Solutions charges included. The only thing you'll notice is savings.

If you have any questions, please call FirstEnergy Solutions toll-free at 1-866-636-3749, Monday through Friday, 8 a.m. to 5 p.m.

Sincerely,

Eileen Mikkelsen  
Director, The E Group

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

**OPT-OUT FORM – CITY OF PARMA RESIDENTIAL ELECTRIC GOVERNMENT AGGREGATION PROGRAM**

**RESIDENT**

By returning this signed form, you will be excluded from the opportunity to join with other residents in Parma's Electric Government Aggregation Program.

I wish to opt out of the City of Parma Electric Government Aggregation Program.

☐

(Check box to opt out.)

Service address (City, state and zip): \_\_\_\_\_

Phone number: \_\_\_\_\_

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

Date: \_\_\_\_\_

Mail by January 8, 2007 to: City of Parma Electric Government Aggregation Program, 395 Ghent Road, Suite 413, Akron, Ohio 44333