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January 14, 2011

Ms. Renee Jenkins Public Utilities Commission of Ohio 180 East Broad Street Columbus, Ohio 43215

RE: Salem Township Opt-Out Notifications — CASE NUMBER 10-3000-EL-GAG

Dear Ms. Jenkins:

Enclosed are Opt-out notifications for Salem Township. Included are one original and ten copies of the opt-out materials. These will be sent to eligible customers on or after January 26, 2011 with the deadline to be on or after February 16, 2011.

FirstEnergy Solutions is providing aggregation service to Salem Township and in this capacity, are filing on their behalf.

Sincerely,

Collette Appolito

**Government Aggregation** 

selette appoet

330-436-2724

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 SK Date Freessed 1/8/1

January 26, 2011

Dear Salem Township Resident,

Salem Township is providing you the opportunity to join other residents to save money on the electricity you use. Savings are possible through governmental aggregation, where Township 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. Salem Township voters approved this program in November 2010.

After researching competitive electricity pricing options for you, we have chosen FirstEnergy Solutions Corp., a subsidiary of FirstEnergy Corp., to provide you with savings on your electric generation through January 2014. There is no cost for enrollment and you with not be charged a switching fee. You do not need to do anything to participate.

As a member of this aggregation, you are guaranteed to save 6 percent off your Price to Compare. Your Price to Compare is essentially the price you pay for electric generation from the utility and consists of generation and transmission related components, which are the costs associated with generating the power and delivering it through the transmission system.

To estimate what your savings per killowatt-hour (KWH) will be through this program, locate your Price to Compare on your electric bill. Divide your Price to Compare by 100, then multiply by 0.06 (6%) to determine your savings per KWH. Multiply that number by your total monthly usage. The final number is how much you can expect to save each month you use the same amount of electricity.

You will see your electric savings from FirstEnergy Solutions after your enrollment has been completed and your switch has been finalized — approximately 30 - 45 days, depending upon your meter read date. Of course, you are not obligated to participate in Salem Township's electric governmental aggregation program. If you wish to be excluded from the program and remain a full-service customer of your local electric utility — Ohio Edison — you have until February 16, 2011 to return the attached "opt-out" form. If you do not opt out at this time, you will receive a notice at least every three years asking if you wish to remain in the program. If you leave the program at any other time, you could be subject to a \$25 cancellation fee from FirstEnergy Solutions — and you might not be served under the same rates, terms and conditions that apply to other customers served by Ohio Edison.

After you become a participant in this governmental aggregation program, Ohio Edison 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 Township's governmental aggregation program, you don't need to take any action when this letter arrives.

Ohio Edison will continue to maintain the system that delivers power to your home – no new poles or wires will be built by FirstEnergy Solutions. You will continue to receive a single, easy-to-read bill from your local electric utility 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. Please do not call Salem Township with aggregation program questions.

Sincerely,

Salem Township

P.S. To receive these savings, you should not respond. Return the opt-out form only if you <u>do not want</u> to participate in the Township's electric governmental aggregation program.

#### OPT-OUT FORM - SALEY TOWNSHIP RESIDENTIAL ELECTRIC GOVERNMENTAL AGGREGATION PROGRAM

Option 1: Do nothing and save.
If you want to participate in this program and save, you do not need to return this form. Your enrollment is automatic.

OR

Option 2: Opt out by returning this form.

If you do not want to participate in this program, you must return this form before the due date.

By returning this signed form, you will be EXCLUDED from the opportunity to join with other residents in Salem Township's Electric Governmental Aggregation Program.

I wish to opt out of Salem Township's Electric Governmental Aggregation Program. (Check box to opt out.)					
Service address (City, state and zip):		_			
Phone number:					
Account holder's signature:	Date:				

## Salem Township Electric Governmental Aggregation Program Frequently Asked Questions

## What is aggregation?

Under governmental aggregation, local officials bring citizens together to gain group buying power for the purchase of competitively priced electricity from a retail electric generation supplier certified by the Public Utilities Commission of Ohio.

How is the Township able to choose a certified electric generation supplier on my behalf?

In November 2010, Salem Township residents voted to allow the Township to contract for an electric generation supplier on their behalf.

How will I know if I can save money under the Township's electric governmental aggregation program? Under the Township's governmental aggregation program, the price you pay for electric generation supply is guaranteed to be 6 percent lower. In other words, each month, you'll pay 6 percent less for the generation portion of your electric supply than if you had not joined the Township's governmental aggregation program.

## What do I need to do if I want to be included in this government aggregation?

You do not need to do anything to receive the discounted generation pricing under this program. You may choose to remain in the aggregation group and begin receiving your 6-percent discount by simply not returning the opt out form.

# If I join the Township's electric aggregation program, who will deliver my power, read my meter and respond to emergencies, such as power outages?

Your local electric company will be responsible for the delivery of power to your home or business. Since your local electric utility still owns the wires and poles that deliver power to you, it will continue to read your meter and restore power after an outage.

## Is your price for residential power fixed, or does it vary?

In this program, the discount you will receive is fixed, so each month you will save 6 percent off the generation portion of your bill. Since the actual price per KWH charged by the utility may change each month based on the season and your usage, the price per KWH from FirstEnergy Solutions will also change each month. Regardless, you are guaranteed to save 6 percent off the competitive portion of your electric bill.

## What does "opt out" mean?

"Opt out" means that you can decide not to participate in the Township's electric governmental aggregation program. By returning the opt-out form, which is included in this mailing, by the due date you will not be enrolled as an electric generation customer with FirstEnergy Solutions, the Township's competitive electric generation supplier, and you will not receive the 6-percent discount.

## What happens if I do not send in the opt-out form?

If you do not return the opt-out form postmarked by the due date, you will be included in the Township's governmental aggregation program and will begin receiving competitively priced electricity from FirstEnergy Solutions.

## Can I opt out over the phone?

No, if you want to opt out, you must mail in your completed opt-out form and it must be postmarked by the due date.

Can I opt out of the program at a later date?

Yes, but you will be subject to a \$25 cancellation fee from FirstEnergy Solutions if you cancel for any other reason but moving. However, you will be sent a notice at least every three years asking if you wish to remain in the program. At that point, you may opt out at no cost.

What are my energy supply choices if I decide to opt out?

You can stay with your current electric utility, which will continue to supply your electricity as it always has, or you can shop for an alternative generation supplier. A list of competitive electric suppliers certified by the Public Utilities Commission of Ohio and their current prices is available by calling 1-800-686-PUCO (1-800-686-7826).

If I join the aggregation, can I stay on budget billing?

Yes, you can remain on budget billing; however, the budget billing program does not apply to your charges from FirstEnergy Solutions – only to charges from the electric utility. Your total charges from FirstEnergy Solutions will fluctuate from month to month according to your usage.

Can I still have my payment automatically deducted from my checking account as I do now? Yes. How you pay your electric bill will not change.

Who is FirstEnergy Solutions?

FirstEnergy Solutions Corp., a subsidiary of FirstEnergy Corp., offers a wide range of energy and related products and services, including the generation and sale of electricity and energy planning and procurement. FirstEnergy Solutions is a leading competitive supplier of energy to residential and commercial and industrial customers in Ohio, Pennsylvania, New Jersey, Maryland, Illinois and Michigan.

What is the toll-free number for questions?

For answers to your questions, please call 1-866-636-3749, Monday through Friday, 8 a.m. to 5 p.m.



## FirstEnergy Solutions Corp. - Residential & Small Commercial Terms and Conditions

These Terms and Conditions together with the enrollment information are your agreement for electric generation service with FirstEnergy Solutions Corp. ("FES") if you choose to remain in the community aggregation program by not "opting-out" or exercising the right of rescission ("Contract"). Please keep a copy of this agreement for your records.

FES is certified by the Public Utilities Commission of Ohio ("PUCO") to offer and supply electric generation services in Ohio. As a Competitive Retail Electric Service ("CRES") provider, FES will supply the electric generation to your Electric Distribution Utility ("EDU") based on your usage. Your EDU then distributes or delivers the electricity to you. FES sets the generation prices and charges that the customers pay. The PUCO regulates distribution prices and services. The Federal Energy Regulatory Commission regulates transmission prices and services.

#### **DEFINITIONS:**

Generation Service - The production of electricity.

Transmission Service – Moving high voltage electricity from a generation facility to the distribution lines of an EDU.

Distribution Service - Physical delivery of electricity to customers by EDU.

RIGHT OF RESCISSION - If you do not opt-out and are enrolled to receive generation service from FES, your EDU will send you a confirmation letter. You will have the right to rescind your enrollment within seven (7) calendar days following the postmark date of the confirmation letter by following the instructions contained in the letter. The Right of Rescission only applies when a customer switches to a generation supplier and not on renewal enrollments. Your EDU will not send a confirmation notice upon any renewal of this Agreement. Should you choose to opt-out of your community's program, you will be served by your EDU's standard service offer established pursuant to section 4928.14 of the Ohio Revised Code unless you choose an alternate 8. supplier of electricity.

#### TERMS AND CONDITIONS OF SERVICE

- Eligibility. Only Residential Customer accounts not enrolled in the 9.
  Percentage of Income Plan Program (PIPP) and small commercial customers with a peak demand below 399 KW are eligible for this offer from FES. FES reserves the right to refuse enrollment to any customer with an outstanding balance.
- 2. Basic Service Prices. During the term of this Contract, you agree to pay FES for a total combined Transmission, Generation, and Generation Related Charges. You will be billed at the percentage off your EDU Price to Compare per KWh per billing month, as specified in the opt-out notification. Your Price to Compare consists of bypassable transmission, generation and transmission and generation related components, which are charges associated with the costs of purchased power and the cost to deliver the power through the transmission system. These are the charges that you would avoid for that billing period when you switch to FES.

Your price per KWh will vary because it will always be a percent off the Price to Compare, which may change based on any changes made by the EDU in its calculations. In addition to FES' charges, you will be charged by your EDU for distribution and various other charges. FES reserves the right to unilaterally modify this billing format in the event the EDU is unable or unwilling to provide consolidated billing in this format or changes the calculation of the Price to Compare.

In addition to the Generation Charge described above, FES will charge you for any and all fees, costs, and obligations imposed by a Regional Transmission Organization ("RTO"), such as the Midwest ISO or successor organizations, that are not otherwise reimbursed by the Electric Utility to Supplier, regardless of whether such charges are greater than, less than, or equal to the charges Customer currently pays for these services to the Electric Utility ("Midwest ISO/Transmission and Ancillary Charges"). FES will pass these Midwest ISO/Transmission and Ancillary Charges, which may be variable, through to you and you will receive no discount or percent-off of these Midwest ISO/Transmission and Ancillary Charges.

- 3. Length of Agreement. As a part of your community's program, your service from FES will commence with the next available meter reading and after processing of the enrollment by your EDU, and will continue for the term as specified in the opt-out notification, ending on the meter read for the last month of service. For the period beginning June 2011, the program may be terminated or modified due to unforeseen regulatory action. Should the program be terminated, you will be returned to the standard service offer or its successor.
- 4. Billing. You will continue to receive a single bill from your EDU that will contain both your EDU and FES charges. FES does not offer budget billing. If you do not pay your bill by the due date, FES may cancel this

Agreement after giving you a minimum of fourteen (14) days written notice. Upon cancellation you will be returned to your EDU as a customer. You will remain responsible to pay FES for any electricity used before this Agreement is cancelled, as well as any late payment charges. Further, your failure to pay EDU charges may result in your electric service being disconnected in accordance with the EDU tanff.

Penalties, Fees and Exceptions. If you do not pay the full amount owed FES by the due date of the bill, FES may charge a 1.5% per

month late payment fee.

- . Cancellation/Termination Provisions. If this agreement is not rescinded during the rescission period, enrollment will be sent to your EDU. You may terminate this Agreement, without penalty, if you move out of the EDU service territory or into an area where FES will charge a different price. There will be a \$25 charge for residential customers and a \$50.00 charge for commercial customers if you terminate this Agreement for any other reason, except as expressly provided herein. Should you cancel service with FES and return to standard service offer with your EDU, you may not be served under the same rates, terms, and conditions that apply to other EDU customers.
- 7. Customer Consent and Information Release Authorization. By choosing not to opt-out of your community's aggregation program, you understand and agree to the terms and conditions of this Agreement with FES. You authorize FES to obtain information from the EDU that includes, but is not limited to: billing history, payment history, historical and future electricity usage, meter readings, and characteristics of electricity service. FES reserves the sole right to determine if your credit standing is satisfactory before accepting your enrollment request. This Agreement shall be considered executed by FES following acceptance of your enrollment request by FES, the end of the 7 day rescission period and subsequent acceptance of the enrollment by your EDU.
- a. Contract Expiration. At least every three years, you will be given the opportunity to opt-out of your community's aggregation program at no cost. You are responsible for arranging for your electric supply upon termination of this Contract.
- 9. Dispute Procedures. Contact FES with any questions concerning the terms of service by phone at 1-888-254-6359 (toll-free) M-F 8AM 5PM EST or in writing at 341 White Pond Drive, Attn: Contract Administration, Akron, OH 44320. Our web address is www.firstenergysolutions.com. If your complaint is not resolved after you have called your electric supplier and/or your electric utility, or for general utility information, residential and business customers may contact the Public Utilities Commission of Ohio for assistance at 1-800-686-7826 (toll free) or TTY at 1-800-686-1570 (toll free) from 8:00 am to 5:00 pm weekdays or at www.PUCO.ohio.gov. Customers may also call the Ohio Consumers' Counsel (OCC) at 1-877-742-5622 (toll free) from 8:00 am to 5:00 pm weekdays or at www.pickocc.org.
- 10. Miscellaneous. You have the right to request from FES, twice within a 12 month period, up to 24 months of payment history, without charge.
  FES, will, not, release, your, Secial, Secretty, number, and/or, account.

FES will not release your Social Security number and/or account number(s) without your written consent

FES' environmental disclosure statement is available for viewing on our website – www.firstenergysolutions.com. You agree that FES will make the required quarterly updates to the statement electronically on our website. We will also provide the information upon request.

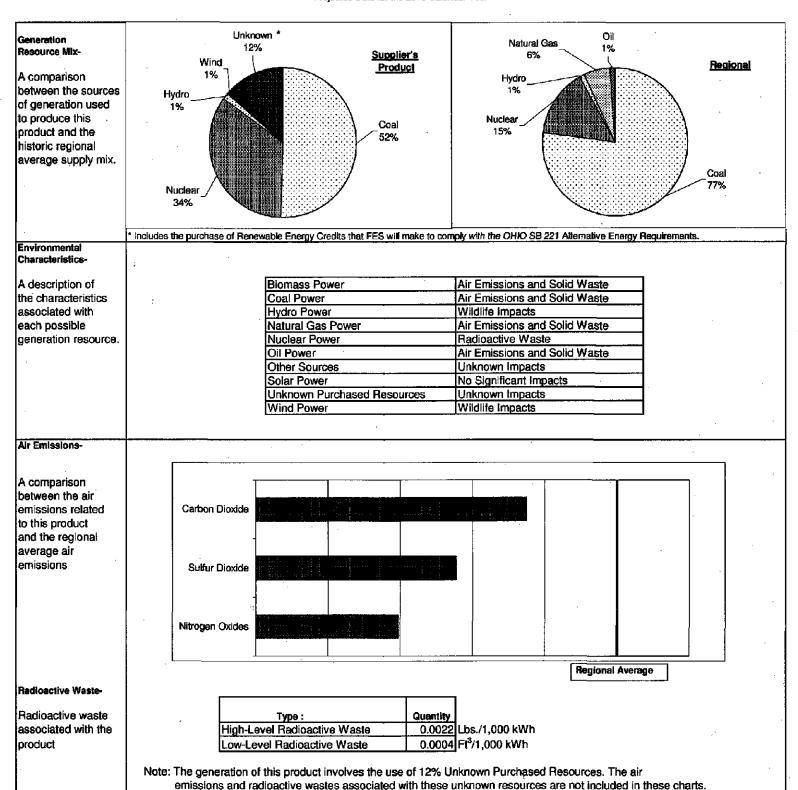
FES may assign its rights to another, including any successor, in accordance with the rules and regulations of the PUCO.

FES assumes no responsibility or liability for the following items that are the responsibility of the EDU: operation and maintenance of the EDU's electrical system, any interruption of service, termination of service, or deterioration of the EDU's service. In the event of a power outage, you should contact your local EDU.

Customer is responsible for providing FES with accurate account information. If said information is incorrect, FES reserves the right to reprice the applicable account(s) or terminate the agreement.

FES reserves the right to return any customer to the EDU if the customer's rate code is changed and the account is no longer eligible for this program.

11. Warranty. FES warrants title and the right to all electricity sold hereunder. THE WARRANTIES SET FORTH IN THIS PARAGRAPH ARE EXCLUSIVE AND ARE IN LIEU OF ALL OTHER WARRANTIES, WHETHER STATUTORY, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR ARISING OUT OF ANY COURSE OF DEALING OR USAGE OF TRADE.



### Re: Great news for all-electric space heating, electric water heating and/or load management customers!

Dear Salem Township Resident,

Salem Township is providing you the opportunity to Join other residents with all-electric space heating, electric water heating and/or load management equipment to save money on the electricity you use. Savings are possible through governmental aggregation, where Township 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. Salem Township voters approved this program in November 2010.

After researching competitive electricity pricing options for you, we have chosen FirstEnergy Solutions Corp., a subsidiary of FirstEnergy Corp., to provide you with savings on your electric generation through January 2014. There is no cost for enrollment, you will not be charged a switching fee, and you do not need to do anything to participate. In addition, you will continue to benefit from any utility credits for having all-electric space heating, electric water heating and/or load management equipment. Please see the enclosed FAQs for more information.

As a member of this aggregation, you are guaranteed to save 4 percent off your Price to Compare. Your Price to Compare is essentially the price you pay for electric generation from the utility and consists of generation and transmission-related components, which are costs associated with generating the power and delivering it through the transmission system.

To estimate what your savings per kilowatt-hour (KWH) will be through this program, locate your Price to Compare on your electric bill. Divide your Price to Compare by 100, then multiply by 0.04 (4%) to determine your savings per KWH. Multiply that number by your total monthly usage. The final number is how much you can expect to save each monthly you use the same amount of electricity.

You will see your electric savings from FirstEnergy Solutions after your enrollment has been completed and your switch has been finalized – approximately 30 - 45 days, depending upon your meter read date. Of course, you are not obligated to participate in Salem Township's electric governmental aggregation program. If you wish to be excluded from the program and remain a full-service customer of your local electric utility – Ohio Edison – you have until February 16, 2011 to return the attached "opt-out" form. If you opt out, you might not be served under the same rates, terms and conditions that apply to other customers served by Ohio Edison. If you do not opt out at this time, you will receive a notice at least every three years asking if you wish to remain in the program. If you leave the program at any other time, you could be subject to a \$25 cancellation fee from FirstEnergy Solutions.

After you become a participant in this governmental aggregation program, Ohio Edison 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 Township's governmental aggregation program, you don't need to take any action when this letter arrives.

Ohio Edison will continue to maintain the system that delivers power to your home – no new poles or wires will be built by FirstEnergy Solutions. You will continue to receive a single, easy-to-read bill from your local electric utility 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. Please do not call Salem Township with aggregation program questions.

Sincerely,

Salem Township

P.S. To receive these savings, **you should not respond**. Return the opt-out form only if you <u>do not want</u> to participate in the Township's electric governmental aggregation program.

#### OPT-OUT FORM - SALEM TOWNSHIP RESIDENTIAL ELECTRIC GOVERNMENTAL AGGREGATION PROGRAM

Option 1: Do nothing and save.
If you want to participate in this program and save, you do not need to return this form. Your enrollment is automatic.

OR

Option 2: Opt out by returning this form. If you do not want to participate in this program and save, you must return this form before the due date.

By returning this signed form, you will be EXCLUDED from the opportunity to join with other residents in Salem Township's Electric Governmental Aggregation Program.

I wish to opt out of the Salem Township Electric Governmental Aggregation Program. (Check box to opt out.)					
Service address (City, state and zip):				_	
Phone number:				_	
Account holder's signature:		Date:		_	

## Salem Township Electric Governmental Aggregation Program Frequently Asked Questions

## What is aggregation?

Under governmental aggregation, local officials bring citizens together to gain group buying power for the purchase of competitively priced electricity from a retail electric generation supplier certified by the Public Utilities Commission of Ohio.

## How is the Township able to choose a certified electric generation supplier on my behalf?

In November 2010, Salem Township residents voted to allow the Township to contract for an electric generation supplier on their behalf.

How will I know if I can save money under the Township's electric governmental aggregation program? Under the Township's governmental aggregation program, the price you pay for electric generation supply is guaranteed to be 4 percent lower. In other words, each month, you'll pay 4 percent less for the generation portion of your electric supply than if you had not joined the Township's governmental aggregation program.

When I switch to an alternative generation supplier, do I still benefit from the generation credits I would get from the utility for having all-electric space heating and/or load management equipment? Yes, you will still benefit from the utility's credits even if you switch to an alternative supplier.

# I receive a credit from my electric utility for my electric water heating. Will I miss out on this credit if I join this program?

Because FirstEnergy Solutions is offering a 4-percent discount off the Price to Compare, you are not missing out on any of the savings that utility credits provide.

## What do I need to do if I want to be included in this governmental aggregation?

You do not need to do anything to receive the discounted generation pricing under this program. You may choose to remain in the aggregation group and begin receiving your 4-percent discount by simply not returning the opt out form.

# If I join the Township's governmental aggregation program, who will deliver my power, read my meter and respond to emergencies, such as power outages?

Your local electric utility will be responsible for the delivery of power to your home or business. Since your local electric utility still owns the wires and poles that deliver power to you, it will continue to read your meter and restore power after an outage.

## Is your price for residential power fixed, or does it vary?

In this program, the discount you will receive is fixed, so each month you will save 4 percent off the generation portion of your bill. Since the actual price per KWH charged by the utility may change each month based on the season and your usage, the price per KWH from FirstEnergy Solutions will also change each month. Regardless, you are guaranteed to save 4 percent off the generation portion of your electric bill.

## What does "opt out" mean?

"Opt out" means that you can decide not to participate in the Township's electric governmental aggregation program. By returning the opt-out form, which is included in this mailing, by the due date you will not be enrolled as an electric generation customer with FirstEnergy Solutions, the Township's competitive electric generation supplier, and you will not receive the 4-percent discount.

## What happens if I do not send in the opt-out form?

If you do not return the opt-out form postmarked by the due date, you will be included in the Township's governmental aggregation program and will begin receiving competitively priced electricity from FirstEnergy Solutions.

## Can I opt out over the phone?

No, if you want to opt out, you must mail in your completed opt-out form and it must be postmarked by the due date.

## Can I opt out of the program at a later date?

Yes, but you will be subject to a \$25 cancellation fee from FirstEnergy Solutions if you cancel for any other reason but moving. However, you will be sent a notice at least every three years asking if you wish to remain in the program. At that point, you may opt out at no cost.

If I cancel out of this program at a later date, will I be able to keep the credits I get from my utility for having all-electric space heating, electric water heating and/or load management equipment?

Yes. This discount is in addition to the generation credit reflected in your Price to Compare. So if you cancel your contract with FirstEnergy Solutions, you will continue to receive the credits from your utility for having all-electric space heating, electric water heating and/or load management equipment as long as those credits are being offered.

## What are my energy supply choices if I decide to opt out?

You can stay with your current electric utility, which will continue to supply your electric generation as it always has, or you can shop for an alternative generation supplier. A list of competitive electric suppliers certified by the Public Utilities Commission of Ohio and their current prices are available by calling 1-800-686-PUCO (1-800-686-7826).

## If I join the aggregation, can I stay on budget billing?

Yes, you can remain on budget billing; however, the budget billing program does not apply to your charges from FirstEnergy Solutions only to charges from the electric utility. Your total charges from FirstEnergy Solutions will fluctuate from month to month according to your usage.

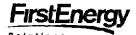
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## What is the toll-free number for questions?

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



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**Transmission Service** – Moving high voltage electricity from a generation facility to the distribution lines of an EDU.

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- 3. Length of Agreement. As a part of your continunity's program, your service from FES will commence with the next available mater reading and after processing of the enrollment by your EDU, and will continue for the term as specified in the opt-out notification, ending on the meter read for the last month of service. For the period beginning June 2011, the program may be terminated or modified due to unforeseen regulatory action. Should the program be terminated, you will be returned to the standard service offer or its successor.
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Agreement after giving you a minimum of fourteen (14) days written notice. Upon cancellation you will be returned to your EDU as a customer. You will remain responsible to pay FES for any electricity used before this Agreement is cancelled, as well as any late payment charges. Further, your failure to pay EDU charges may result in your electric service being disconnected in accordance with the EDU tariff.

 Penalties, Fees and Exceptions. If you do not pay the full amount owed FES by the due date of the bill, FES may charge a 1.5% per

month late payment fee.

- 3. Cancellation/Termination Provisions. If this agreement is not rescinded during the rescission period, enrollment will be sent to your EDU. You may terminate this Agreement, without penalty, if you move out of the EDU service territory or into an area where FES will charge a different price. There will be a \$25 charge for residential customers and a \$50.00 charge for commercial customers if you terminate this Agreement for any other reason, except as expressly provided herein. Should you cancel service with FES and return to standard service offer with your EDU, you may not be served under the same rates, terms, and conditions that apply to other EDU customers.
- 7. Customer Consent and Information Release Authorization. By choosing not to opt-out of your community's aggregation program, you understand and agree to the terms and conditions of this Agreement with FES. You authorize FES to obtain information from the EDU that includes, but is not limited to: billing history, payment history, historical and future electricity usage, meter readings, and characteristics of electricity service. FES reserves the sole right to determine if your credit standing is satisfactory before accepting your enrollment request. This Agreement shall be considered executed by FES following acceptance of your enrollment request by FES, the end of the 7 day rescission period and subsequent acceptance of the enrollment by your EDU.
- 6. Contract Expiration. At least every three years, you will be given the opportunity to opt-out of your community's aggregation program at no cost. You are responsible for arranging for your electric supply upon termination of this Contract.
- Dispute Procedures. Contact FES with any questions concerning the terms of service by phone at 1-888-254-6359 (toll-free) M-F 8AM 5PM EST or in writing at 341 White Pond Drive, Attn: Contract Administration, Akron, OH 44320. Our web address is www.firstenergysolutions.com. If your complaint is not resolved after you have called your electric supplier and/or your electric utility, or for general utility information, residential and business customers may contact the Public Utilities Commission of Ohio for assistance at 1-800-686-7826 (toll free) or TTY at 1-800-686-1570 (toll free) from 8:00 am to 5:00 pm weekdays or at www.PUCO.ohio.gov. Customers may also call the Ohio Consumers' Counsel (OCC) at 1-877-742-5622 (toll free) from 8:00 am to 5:00 pm weekdays or at www.plckocc.org.
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FES' environmental disclosure statement is available for viewing on our website – www.firstenergysolutions.com. You agree that FES will make the required quarterly updates to the statement electronically on our website. We will also provide the information upon request.

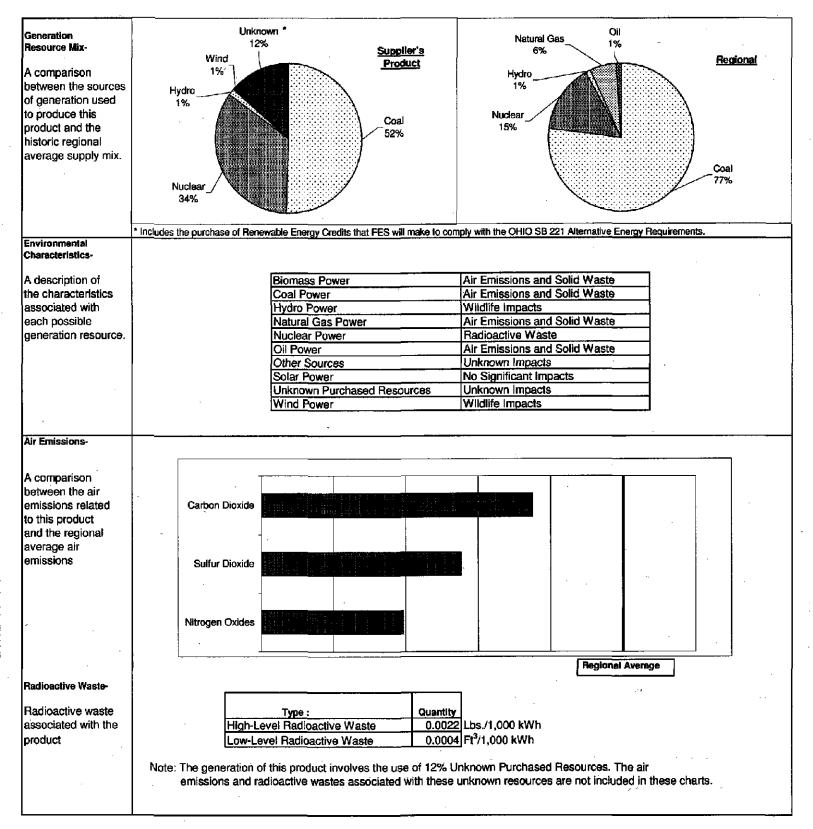
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11. Warranty. FES warrants title and the right to all electricity sold hereunder. THE WARRANTIES SET FORTH IN THIS PARAGRAPH ARE EXCLUSIVE AND ARE IN LIEU OF ALL OTHER WARRANTIES, WHETHER STATUTORY, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR ARISING OUT OF ANY COURSE OF DEALING OR USAGE OF TRADE.



January 26, 2011

Dear Salem Township Business.

Salem Township is providing you the opportunity to join other businesses to save money on the electricity you use. Savings are possible through governmental aggregation, where Township 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. Salem Township voters approved this program in November 2010.

After researching competitive electricity pricing options for you, we have chosen FirstEnergy Solutions Corp., a subsidiary of FirstEnergy Corp., to provide you with savings on your electric generation through January 2014. There is no cost for enrollment and you will not be charged a switching fee. You do not need to do anything to participate.

As a member of this aggregation, you are guaranteed to save 4 percent off your Price to Compare. Your Price to Compare is essentially the price you pay for electric generation from the utility and consists of generation and transmission related components, which are the costs associated with generating the power and delivering it through the transmission system.

To estimate what your savings per kilowatt-hour (KWH) will be through this program, you first need to determine your Price to Compare. Simply divide the amount of the Bypassable Generation and Transmission Related Component by the Kilowatt Hours Used, which are both found on page 3 of your bill. Use this number as your Price to Compare. Then multiply your Price to Compare by 0.04 (4%) to determine your savings per KWH. Multiply that number by your total monthly usage. The final number is how much you can expect to save each month you use the same amount of electricity.

You will see your electric savings from FirstEnergy Solutions after your enrollment has been completed and your switch has been finalized – approximately 30 - 45 days, depending upon your meter read date. Of course, you are not obligated to participate in Salem Township's electric governmental aggregation program. If you wish to be excluded from the program and remain a full-service customer of your local electric utility – Ohio Edison – you have until February 16, 2011 to return the attached "opt-out" form. If you do not opt out at this time, you will receive a notice at least every three years asking if you wish to remain in the program. If you leave the program at any other time, you could be subject to a 550 cancellation fee from FirstEnergy Solutions – and you might not be served under the same rates, terms and conditions that apply to other customers served by Ohio Edison.

After you become a participant in this governmental aggregation program, Ohio Edison 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 Township's governmental aggregation program, you don't need to take any action when this letter arrives.

Ohio Edison will continue to maintain the system that delivers power to your home – no new poles or wires will be built by FirstEnergy Solutions. You will continue to receive a single, easy-to-read bill from your local electric utility 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. Please do not call Salem Township with aggregation program questions.

Sincerely.

Salem Township

P.S. To receive these savings, you should not respond. Return the opt-out form only if you <u>do not want</u> to participate in the Township's electric governmental aggregation program.

#### OPT-OUT FORM - SALEM TOWNSHIP BUSINESS ELECTRIC GOVERNMENTAL AGGREGATION PROGRAM

Option 1: Do nothing and save.

If you want to participate in this program and save, you do not need to return this form. Your annollment is automatic.

OR

Option 2: Opt out by returning this form.

If you do not want to participate in this program, you must return this form before the due date.

By returning this signed form, you will be EXCLUDED from the opportunity to join with other businesses in Salem Township's Electric Governmental Aggregation Program.

I wish to opt out of the Salem Township Electric Governmental Aggregation Program. (Check box to opt out.)				
Service address (City, state and zip):				
Phone number:				
Account holder's signature:	Date:			
Mail by February 16, 2011 to: Salem Township Electric Government	nental Aggregation Program, 341 White Pond Drive,	Bidg. B-3, Akron, Ohio 44320		

## Salem Township Electric Governmental Aggregation Program Frequently Asked Questions

## What is aggregation?

Under governmental aggregation, local officials bring citizens together to gain group buying power for the purchase of competitively priced electricity from a retail electric generation supplier certified by the Public Utilities Commission of Ohio.

## How is the Township able to choose a certified electric generation supplier on my behalf?

In November 2010, Salem Township residents voted to allow the Township to contract for an electric generation supplier on their behalf.

How will I know if I can save money under the Township's electric governmental aggregation program? Under the Township's governmental aggregation program, the price you pay for electric generation supply is guaranteed to be 4 percent lower. In other words, each month, you'll pay 4 percent less for the generation portion of your electric supply than if you had not joined the Township's governmental aggregation program.

## What do I need to do if I want to be included in this government aggregation?

You do not need to do anything to receive the discounted generation pricing under this program. You may choose to remain in the aggregation group and begin receiving your 4-percent discount by simply not returning the opt out form.

# If I join the Township's electric aggregation program, who will deliver my power, read my meter and respond to emergencies, such as power outages?

Your local electric company will be responsible for the delivery of power to your home or business. Since your local electric utility still owns the wires and poles that deliver power to you, it will continue to read your meter and restore power after an outage.

## Is your price for power fixed, or does it vary?

In this program, the discount you will receive is fixed, so each month you will save 4 percent off the generation portion of your bill. Since the actual price per KWH charged by the utility may change each month based on the season and your usage, the price per KWH from FirstEnergy Solutions will also change each month. Regardless, you are guaranteed to save 4 percent off the competitive portion of your electric bill.

## What does "opt out" mean?

"Opt out" means that you can decide not to participate in the Township's electric governmental aggregation program. By returning the opt-out form, which is included in this mailing, by the due date you will not be enrolled as an electric generation customer with FirstEnergy Solutions, the Township's competitive electric generation supplier, and you will not receive the 4-percent discount.

## What happens if I do not send in the opt-out form?

If you do not return the opt-out form postmarked by the due date, you will be included in the Township's governmental aggregation program and will begin receiving competitively priced electricity from FirstEnergy Solutions.

### Can I opt out over the phone?

No, if you want to opt out, you must mail in your completed opt-out form and it must be postmarked by the due date.

## Can I opt out of the program at a later date?

Yes, but you will be subject to a \$50 cancellation fee from FirstEnergy Solutions if you cancel for any other reason but moving. However, you will be sent a notice at least every three years asking if you wish to remain in the program. At that point, you may opt out at no cost.

## What are my energy supply choices if I decide to opt out?

You can stay with your current electric utility, which will continue to supply your electricity as it always has, or you can shop for an alternative generation supplier. A list of competitive electric suppliers certified by the Public Utilities Commission of Ohio and their current prices is available by calling 1-800-686-PUCO (1-800-686-7826).

## If I join the aggregation, can I stay on budget billing?

Yes, you can remain on budget billing; however, the budget billing program does not apply to your charges from FirstEnergy Solutions – only to charges from the electric utility. Your total charges from FirstEnergy Solutions will fluctuate from month to month according to your usage.

Can I still have my payment automatically deducted from my checking account as I do now? Yes. How you pay your electric bill will not change.

## Who is FirstEnergy Solutions?

FirstEnergy Solutions Corp., a subsidiary of FirstEnergy Corp., offers a wide range of energy and related products and services, including the generation and sale of electricity and energy planning and procurement. FirstEnergy Solutions is a leading competitive supplier of energy to residential and commercial and industrial customers in Ohio, Pennsylvania, New Jersey, Maryland, Illinois and Michigan.

## What is the toll-free number for questions?

For answers to your questions, please call 1-866-636-3749, Monday through Friday, 8 a.m. to 5 p.m.



#### 001411008

## FirstEnergy Solutions Corp. - Residential & Small Commercial Terms and Conditions

These Terms and Conditions together with the enrollment information are your agreement for electric generation service with FirstEnergy Solutions Corp. ("FES") if you choose to remain in the community aggregation program by not "opting-out" or exercising the right of rescission ("Contract"). Please keep a copy of this agreement for your records.

FES is certified by the Public Utilities Commission of Ohio ("PUCO") to offer and supply electric generation services in Ohio. As a Competitive Retail Electric Service ("CRES") provider, FES will supply the electric generation to your Electric Distribution Utility ("EDU") based on your usage. Your EDU then distributes or delivers the electricity to you. FES sets the generation prices and charges that the customers pay. The PUCO regulates distribution prices and services. The Federal Energy Regulatory Commission regulates transmission prices and services.

#### DEFINITIONS:

Generation Service - The production of electricity.

Transmission Service - Moving high voltage electricity from a generation facility to the distribution lines of an EDU.

Distribution Service - Physical delivery of electricity to customers by EDU.

RIGHT OF RESCISSION – If you do not opt-out and are enrolled to receive generation service from FES, your EDU will send you a confirmation letter. You will have the right to rescind your enrollment within seven (7) calendar days following the postmark date of the confirmation letter by following the instructions contained in the letter. The Right of Rescission only applies when a customer switches to a generation supplier and not on renewal enrollments. Your EDU will not send a confirmation notice upon any renewal of this Agreement. Should you choose to opt-out of your community's program, you will be served by your EDU's standard service offer established pursuant to section 4928.14 of the Ohio Revised Code unless you choose an alternate supplier of electricity.

#### TERMS AND CONDITIONS OF SERVICE

- Eligibility. Only Residential Customer accounts not enrolled in the 9.
  Percentage of Income Plan Program (PIPP) and small commercial
  customers with a peak demand below 399 KW are eligible for this offer
  from FES. FES reserves the right to refuse enrollment to any customer
  with an outstanding balance.
- 2. Basic Service Prices. During the term of this Contract, you agree to pay FES for a total combined Transmission, Generation, and Generation Related Charges. You will be billed at the percentage off your EDU Price to Compare per KWh per billing month, as specified in the opt-out notification. Your Price to Compare consists of bypassable transmission, generation and transmission and generation related components, which are charges associated with the costs of purchased power and the cost to deliver the power through the transmission system. These are the charges that you would avoid for that billing period when you switch to FES.

Your price per KWh will vary because it will always be a percent off the Price to Compare, which may change based on any changes made by the EDU in its calculations. In addition to FES' charges, you will be charged by your EDU for distribution and various other charges. FES reserves the right to unilaterally modify this billing format in the event the EDU is unable or unwilling to provide consolidated billing in this format or changes the calculation of the Price to Compare.

In addition to the Generation Charge described above, FES will charge you for any and all fees, costs, and obligations imposed by a Regional Transmission Organization ("RTO"), such as the Midwest ISO or successor organizations, that are not otherwise reimbursed by the Electric Utility to Supplier, regardless of whether such charges are greater than, less than, or equal to the charges Customer currently pays for these services to the Electric Utility ("Midwest ISO/Transmission and Ancillary Charges"). FES will pass these Midwest ISO/Transmission and Ancillary Charges, which may be variable, through to you and you will receive no discount or percent-off of these Midwest ISO/Transmission and Ancillary Charges.

- 3. Length of Agreement. As a part of your community's program, your service from FES will commence with the next available meter reading and after processing of the enrollment by your EDU, and will continue for the term as specified in the opt-out notification, ending on the meter read for the last month of service. For the period beginning June 2011, the program may be terminated or modified due to unforeseen regulatory action. Should the program be terminated, you will be returned to the standard service offer or its successor.
- 4. Billing. You will continue to receive a single bill from your EDU that will contain both your EDU and FES charges. FES does not offer budget billing. If you do not pay your bill by the due date, FES may cancel this

Agreement after giving you a minimum of fourteen (14) days written notice. Upon cancellation you will be returned to your EDU as a customer. You will remain responsible to pay FES for any electricity used before this Agreement is cancelled, as well as any late payment charges. Further, your failure to pay EDU charges may result in your electric service being disconnected in accordance with the EDU tariff.

Penalties, Fees and Exceptions. If you do not pay the full amount owed FES by the due date of the bill, FES may charge a 1.5% per

month late payment fee.

3. Cancellation/Termination Provisions. If this agreement is not rescinded during the rescission period, enrollment will be sent to your EDU. You may terminate this Agreement, without penalty, if you move out of the EDU service territory or into an area where FES will charge a different price. There will be a \$25 charge for residential customers and a \$50.00 charge for commercial customers if you terminate this Agreement for any other reason, except as expressly provided herein. Should you cancel service with FES and return to standard service offer with your EDU, you may not be served under the same rates, terms, and conditions that apply to other EDU customers.

7. Customer Consent and Information Release Authorization. By choosing not to opt-out of your community's aggregation program, you understand and agree to the terms and conditions of this Agreement with FES. You authorize FES to obtain information from the EDU that includes, but is not limited to: billing history, payment history, historical and future electricity usage, meter readings, and characteristics of electricity service. FES reserves the sole right to determine if your credit standing is satisfactory before accepting your enrollment request. This Agreement shall be considered executed by FES following acceptance of your enrollment request by FES, the end of the 7 day rescission period and subsequent acceptance of the enrollment by your EDU.

Contract Expiration. At least every three years, you will be given the opportunity to opt-out of your community's aggregation program at no cost. You are responsible for arranging for your electric supply upon

termination of this Contract.

9. Dispute Procedures. Contact FES with any questions concerning the terms of service by phone at 1-888-254-6359 (toil-free) M-F 8AM — 5PM EST or in writing at 341 White Pond Drive, Attn: Contract Administration, Akron, OH 44320. Our web address is www.firstenergysolutions.com. If your complaint is not resolved after you have called your electric supplier and/or your electric utility, or for general utility information, residential and business customers may contact the Public Utilities Commission. Ohio for assistance at 1-800-686-7826 (toil free) or TTY at 1-800-686-1570 (toil free) from 8:00 am to 5:00 pm weekdays or at www.PUCO.ohio.gov. Customers may also call the Ohio Consumers' Counsel (OCC) at 1-877-742-5622 (toil free) from 8:00 am to 5:00 pm weekdays or at www.pickocc.org.

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FES' environmental disclosure statement is available for viewing on our website – www.firstenergysolutions.com. You agree that FES will make the required quarterly updates to the statement electronically on our website. We will also provide the information upon request.

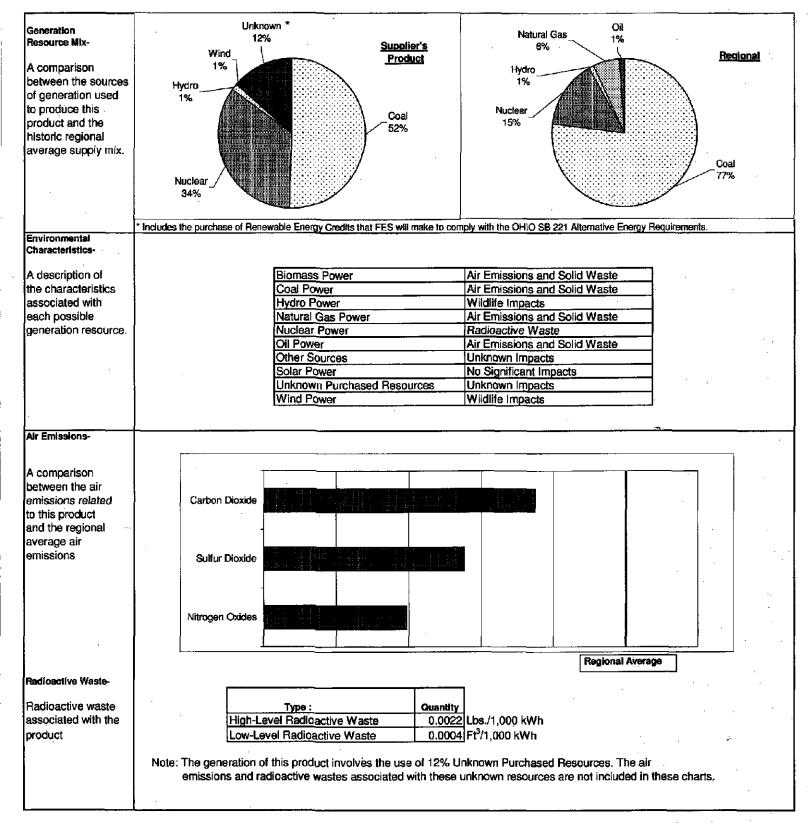
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January 26, 2011

Dear Salem Township Electric Customer,

Because your business is located within the community of Salem Township, you qualify for discounted savings on your electric generation. Through governmental aggregation, your community has negotiated and secured a special discounted price on electric generation from FirstEnergy Solutions, a subsidiary of FirstEnergy.

To take advantage of this offer, you must complete and return the opt-in form below by February 16, 2011. By doing so, you receive savings of 4 percent off your Price to Compare through January 2014 on your electric generation. You will also continue to receive a single easy-to-read bill and reliable service from your local electric utility — Ohio Edison. FirstEnergy Solutions' charges will be noted on the bill separately, but what you will notice most is the savings.

We are pleased we were able to negotiate this energy dollar savings on your behalf as part of Ohio's electric law. Be sure to complete and return the attached opt-in form below no later than February 16, 2011.

We know you will appreciate the money we are able to save you through our governmental aggregation program. If you have any questions, call FirstEnergy Solutions at 1-866-636-3749, 8 a.m. - 5 p.m., Monday - Friday.

Sincerely,

Salem Township

Yes! I want to opt-in for savings through the electric governmental aggregation program.  Account Holder Name on Electric Bill Electric Service Address Phone Number Account Holder Signature Date  Mail by February 16, 2011 to Salem Township Electric Governmental Aggregation Program, 76 S. Main Street, Akron, OH 44308	Reply Card)	
Electric Service Address Phone Number Account Holder Signature Date  Mail by February 16, 2011 to Salem Township Electric Governmental Aggregation Program,	es! I want to opt-in for savings through the electric governmental aggregation program.	(Please check)
Electric Service Address Phone Number Account Holder Signature Date  Mail by February 16, 2011 to Salem Township Electric Governmental Aggregation Program,	account Holder Name on Electric Bill	
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#### Solution

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