

April 4, 2012

Re: Great news – FirstEnergy Solutions’ Village of Navarre aggregation program continues to offer savings!

Dear Village of Navarre Resident,

As a Village of Navarre resident, you are included in your community's aggregation program which provides the opportunity to save money on the electricity you use. Savings are possible through governmental aggregation, where community 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. Village of Navarre voters approved this program in May 2003.

FirstEnergy Solutions Corp., a subsidiary of FirstEnergy Corp., has been selected to provide you with savings on your electric generation through May 2015. You may already be saving with FirstEnergy Solutions through this program, and this is your opportunity to extend your savings. **There is no cost for enrollment, you will not be charged a switching fee, and you do not need to do anything to participate.** Please see the enclosed FAQs for more information.

As a member of this aggregation program, you are guaranteed to save 4 percent off your Price to Compare through May 2012 and 6 percent through May 2015. Your Price to Compare is 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 the percentage discounts listed above by year 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.

If you are a new member of the program, 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 the Village of Navarre 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 April 25, 2012 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.

If you are not currently receiving electric generation from FirstEnergy Solutions, 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 a member of the Village of Navarre electric governmental aggregation program, you don't need to take any action when this letter arrives. If you are currently enrolled in the community’s aggregation program you will not receive a letter from Ohio Edison.

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 the Village of Navarre with aggregation program questions.

Sincerely,

Village of Navarre Local Officials

P.S. To receive these savings, **you should not respond.** Return the opt-out form only if you do not want to participate in the Village of Navarre electric governmental aggregation program.

OPT-OUT FORM – VILLAGE OF NAVARRE RESIDENTIAL ELECTRIC GOVERNMENTAL AGGREGATION PROGRAM

|  |           |  |
|--|-----------|--|
| <b>Option 1: Do nothing and save.</b><br>If you want to participate in this program and save, you do not need to return this form. Your enrollment is automatic. | <b>OR</b> | <b>Option 2: Opt out by returning this form.</b><br>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 the Village of Navarre Electric Governmental Aggregation Program.

☐ I wish to opt out of the Village of Navarre Electric Governmental Aggregation Program. (Check box to opt out.)

Service address (City, state and zip):

Phone number:

Account holder's signature: Date:

Mail by April 25, 2012 to: Village of Navarre Electric Governmental Aggregation Program, 341 White Pond Drive, Bldg. B-2, Akron, Ohio 44320

## Village of Navarre 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 my community able to choose a certified electric generation supplier on my behalf?**

In May 2003, Village of Navarre residents voted to allow the community to contract for an electric generation supplier on their behalf.

### **How will I know if I can save money under the Village of Navarre electric governmental aggregation program?**

Under the Village of Navarre governmental aggregation program, the price you pay for electric generation supply is guaranteed to be lower. In other words, each month, you'll receive the percent discount listed in your opt-out letter by year for the generation portion of your electric supply than if you had not joined the governmental aggregation program.

### **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 discount by simply not returning the opt-out form.

### **If I join the Village of Navarre 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 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 on the competitive portion of your electric bill.

### **I am already a member of this program. Why am I receiving this letter?**

As a current member of your community's electric governmental aggregation program, you are given the opportunity to opt-out of the program at least every three years at no charge. Your previous contract with FirstEnergy Solutions is coming to an end, and this is your opportunity to either opt-out or continue saving with FirstEnergy Solutions.

### **What does "opt out" mean?**

"Opt out" means that you can decide not to participate in the Village of Navarre 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, your community's competitive electric generation supplier, and you will not receive the 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 Village of Navarre governmental aggregation program and will receive 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 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.

**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?**

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

**Additional FAQs for all-electric space heating, electric water heating and/or load management customers:****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 discount off the Price to Compare, you are not missing out on any of the savings that utility credits provide.

**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.

**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 ("Agreement"). Please keep a copy of this Agreement for your records.

FES is certified by the Ohio Public Utility Commission ("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 Electric Distribution Utility ("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**

1. **Eligibility.** Only Residential Customer accounts not enrolled in the 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 charges described above, if any regional transmission organization or similar entity, EDU, governmental entity or agency, NERC and other industry reliability organization, or court requires a change to the terms of the Agreement, or imposes upon Supplier new or additional charges or requirements, or a change in the method or procedure for determining charges or requirements, relating to your electric supply under this Agreement (any of the foregoing, a "Pass-Through Event"), which are not otherwise reimbursed to FES, Customer agrees that Supplier may pass through the additional cost to Supplier of such Pass-Through Event, which may be variable, to Customer. Changes may include, without limitation, transmission or capacity requirements, new or modified charges or shopping credits, and other changes to retail electric customer access programs.

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. The program may be terminated or modified due to unforeseen regulatory action. Customer and FES agree that any such regulatory action is a force majeure event. 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.

5. **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.

6. **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 each residential EDU account and a \$50.00 charge for each commercial EDU account if you terminate this Agreement for any other reason, except as expressly provided herein. Should you cancel service with FES and return to standard offer service 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.

8. **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](http://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](http://www.PUCO.ohio.gov). Residential 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](http://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 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](http://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.

**Environmental Disclosure Information**  
FirstEnergy Solutions  
Projected Data for the 2012 Calendar Year

|  |  |   |               |                               |            |                               |             |                  |                             |                               |               |                   |           |                               |               |                 |             |                        |                             |                 |            |                  |
|--|--|---|---------------|-------------------------------|------------|-------------------------------|-------------|------------------|-----------------------------|-------------------------------|---------------|-------------------|-----------|-------------------------------|---------------|-----------------|-------------|------------------------|-----------------------------|-----------------|------------|------------------|
| <div><div>Generation Resource Mix-</div><div>A comparison between the sources of generation used to produce this product and the historic regional average supply mix.</div></div> | <div><div>Supplier's Product</div><div><div><div><div><div>Coal</div><div>71%</div></div><div><div><div><div>Unknown</div><div>1%</div></div><div><div><div><div>Wind</div><div>1%</div></div><div><div><div><div>Hydro</div><div>2%</div></div><div><div><div><div>Nuclear</div><div>25%</div></div></div></div></div></div></div></div></div></div></div></div></div></div>  | <div><div>Regional</div><div><div><div><div><div>Coal</div><div>74%</div></div><div><div><div><div>Gas</div><div>7%</div></div><div><div><div><div>Oil</div><div>0.5%</div></div><div><div><div><div>Wind</div><div>0.5%</div></div><div><div><div><div>Biomass</div><div>1%</div></div></div></div></div></div><div><div><div><div>Hydro</div><div>1%</div></div><div><div><div><div>Nuclear</div><div>16%</div></div></div></div></div></div></div></div></div></div></div></div></div></div> |               |                               |            |                               |             |                  |                             |                               |               |                   |           |                               |               |                 |             |                        |                             |                 |            |                  |
| <div><div>Environmental Characteristics-</div><div>A description of the characteristics associated with each possible generation resource.</div></div>                             | <table><tr><td>Biomass Power</td><td>Air Emissions and Solid Waste</td></tr><tr><td>Coal Power</td><td>Air Emissions and Solid Waste</td></tr><tr><td>Hydro Power</td><td>Wildlife Impacts</td></tr><tr><td>Natural Gas Power</td><td>Air Emissions and Solid Waste</td></tr><tr><td>Nuclear Power</td><td>Radioactive Waste</td></tr><tr><td>Oil Power</td><td>Air Emissions and Solid Waste</td></tr><tr><td>Other Sources</td><td>Unknown Impacts</td></tr><tr><td>Solar Power</td><td>No Significant Impacts</td></tr><tr><td>Unknown Purchased Resources</td><td>Unknown Impacts</td></tr><tr><td>Wind Power</td><td>Wildlife Impacts</td></tr></table> |   | Biomass Power | Air Emissions and Solid Waste | Coal Power | Air Emissions and Solid Waste | Hydro Power | Wildlife Impacts | Natural Gas Power           | Air Emissions and Solid Waste | Nuclear Power | Radioactive Waste | Oil Power | Air Emissions and Solid Waste | Other Sources | Unknown Impacts | Solar Power | No Significant Impacts | Unknown Purchased Resources | Unknown Impacts | Wind Power | Wildlife Impacts |
| Biomass Power  | Air Emissions and Solid Waste  |   |               |                               |            |                               |             |                  |                             |                               |               |                   |           |                               |               |                 |             |                        |                             |                 |            |                  |
| Coal Power   | Air Emissions and Solid Waste  |   |               |                               |            |                               |             |                  |                             |                               |               |                   |           |                               |               |                 |             |                        |                             |                 |            |                  |
| Hydro Power  | Wildlife Impacts   |   |               |                               |            |                               |             |                  |                             |                               |               |                   |           |                               |               |                 |             |                        |                             |                 |            |                  |
| Natural Gas Power  | Air Emissions and Solid Waste  |   |               |                               |            |                               |             |                  |                             |                               |               |                   |           |                               |               |                 |             |                        |                             |                 |            |                  |
| Nuclear Power  | Radioactive Waste  |   |               |                               |            |                               |             |                  |                             |                               |               |                   |           |                               |               |                 |             |                        |                             |                 |            |                  |
| Oil Power  | Air Emissions and Solid Waste  |   |               |                               |            |                               |             |                  |                             |                               |               |                   |           |                               |               |                 |             |                        |                             |                 |            |                  |
| Other Sources  | Unknown Impacts  |   |               |                               |            |                               |             |                  |                             |                               |               |                   |           |                               |               |                 |             |                        |                             |                 |            |                  |
| Solar Power  | No Significant Impacts   |   |               |                               |            |                               |             |                  |                             |                               |               |                   |           |                               |               |                 |             |                        |                             |                 |            |                  |
| Unknown Purchased Resources  | Unknown Impacts  |   |               |                               |            |                               |             |                  |                             |                               |               |                   |           |                               |               |                 |             |                        |                             |                 |            |                  |
| Wind Power   | Wildlife Impacts   |   |               |                               |            |                               |             |                  |                             |                               |               |                   |           |                               |               |                 |             |                        |                             |                 |            |                  |
| <div><div>Air Emissions-</div><div>A comparison between the air emissions related to this product and the regional average air emissions</div></div>                               | <div><div><div><div><div><div>Carbon Dioxide</div><div></div></div><div><div><div><div><div></div><div></div><div></div><div></div><div></div></div></div></div></div><div><div><div><div><div></div><div></div><div></div><div></div><div></div></div></div></div></div><div><div><div><div><div></div><div></div><div></div><div></div><div></div></div></div></div></div></div></div><div><div><div><div><div></div><div></div><div></div><div></div><div></div></div></div></div></div><div><div><div><div><div></div><div></div><div></div><div></div><div></div></div></div></div></div></div></div> <div><div>Regional Average</div></div>            |   |               |                               |            |                               |             |                  |                             |                               |               |                   |           |                               |               |                 |             |                        |                             |                 |            |                  |
| <div><div>Radioactive Waste-</div><div>Radioactive waste associated with the product</div></div>   | <table><tr><td>Type :</td><td>Projected Quantity:</td><td></td></tr><tr><td>High-Level Radioactive Waste</td><td>0.0021</td><td>Lbs./1,000 kWh</td></tr><tr><td>Low-Level Radioactive Waste</td><td>0.0001</td><td>Ft³/1,000 kWh</td></tr></table> <div><div>Note: The generation of this product involves the use of 1% projected Unknown Purchased Resources. The air emissions and radioactive wastes associated with these unknown resources are not included in these charts.</div></div>   |   | Type :        | Projected Quantity:           |            | High-Level Radioactive Waste  | 0.0021      | Lbs./1,000 kWh   | Low-Level Radioactive Waste | 0.0001                        | Ft³/1,000 kWh |                   |           |                               |               |                 |             |                        |                             |                 |            |                  |
| Type :   | Projected Quantity:  |   |               |                               |            |                               |             |                  |                             |                               |               |                   |           |                               |               |                 |             |                        |                             |                 |            |                  |
| High-Level Radioactive Waste   | 0.0021   | Lbs./1,000 kWh  |               |                               |            |                               |             |                  |                             |                               |               |                   |           |                               |               |                 |             |                        |                             |                 |            |                  |
| Low-Level Radioactive Waste  | 0.0001   | Ft³/1,000 kWh   |               |                               |            |                               |             |                  |                             |                               |               |                   |           |                               |               |                 |             |                        |                             |                 |            |                  |

Renewable Energy Credits: FirstEnergy Solutions purchases renewable energy credits (RECs) as a means of complying with the renewable energy resource benchmark under the state's alternative energy portfolio standard requirements. The requirement for 2012 is 1.5% renewable, including 0.06% solar.

With in-depth analysis, the environmental characteristics of any form of electric generation will reveal benefits as well as costs. For further information, contact FirstEnergy Solutions Corp at [www.fes.com](http://www.fes.com) or by phone at 1-888-254-6359.

April 4, 2012

Re: **Great news – FirstEnergy Solutions’ Village of Navarre aggregation program continues to offer savings!**

Dear Village of Navarre Resident,

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As a member of this aggregation program, you are guaranteed to save 6 percent off your Price to Compare. Your Price to Compare is 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 0.06 (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.

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Village of Navarre Local Officials

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|--|-----------|--|

By returning this signed form, you will be EXCLUDED from the opportunity to join with other residents in the Village of Navarre Electric Governmental Aggregation Program.

☐ I wish to opt out of the Village of Navarre Electric Governmental Aggregation Program. (Check box to opt out.)

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

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

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

**Mail by April 25, 2012 to: Village of Navarre Electric Governmental Aggregation Program, 341 White Pond Drive, Bldg. B-2, Akron, Ohio 44320**

## Village of Navarre 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 my community able to choose a certified electric generation supplier on my behalf?**

In May 2003, Village of Navarre residents voted to allow the community to contract for an electric generation supplier on their behalf.

### **How will I know if I can save money under the Village of Navarre electric governmental aggregation program?**

Under the Village of Navarre governmental aggregation program, the price you pay for electric generation supply is guaranteed to be lower. In other words, each month, you'll receive the percent discount listed in your opt-out letter by year for the generation portion of your electric supply than if you had not joined the governmental aggregation program.

### **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 discount by simply not returning the opt-out form.

### **If I join the Village of Navarre 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 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 on the competitive portion of your electric bill.

### **I am already a member of this program. Why am I receiving this letter?**

As a current member of your community's electric governmental aggregation program, you are given the opportunity to opt-out of the program at least every three years at no charge. Your previous contract with FirstEnergy Solutions is coming to an end, and this is your opportunity to either opt-out or continue saving with FirstEnergy Solutions.

### **What does "opt out" mean?**

"Opt out" means that you can decide not to participate in the Village of Navarre 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, your community's competitive electric generation supplier, and you will not receive the 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 Village of Navarre governmental aggregation program and will receive 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 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.

**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?**

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

**Additional FAQs for all-electric space heating, electric water heating and/or load management customers:****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 discount off the Price to Compare, you are not missing out on any of the savings that utility credits provide.

**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.



**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 ("Agreement"). Please keep a copy of this Agreement for your records.

FES is certified by the Ohio Public Utility Commission ("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 Electric Distribution Utility ("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**

1. **Eligibility.** Only Residential Customer accounts not enrolled in the 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 charges described above, if any regional transmission organization or similar entity, EDU, governmental entity or agency, NERC and other industry reliability organization, or court requires a change to the terms of the Agreement, or imposes upon Supplier new or additional charges or requirements, or a change in the method or procedure for determining charges or requirements, relating to your electric supply under this Agreement (any of the foregoing, a "Pass-Through Event"), which are not otherwise reimbursed to FES, Customer agrees that Supplier may pass through the additional cost to Supplier of such Pass-Through Event, which may be variable, to Customer. Changes may include, without limitation, transmission or capacity requirements, new or modified charges or shopping credits, and other changes to retail electric customer access programs.

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. The program may be terminated or modified due to unforeseen regulatory action. Customer and FES agree that any such regulatory action is a force majeure event. 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.

5. **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.

6. **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 each residential EDU account and a \$50.00 charge for each commercial EDU account if you terminate this Agreement for any other reason, except as expressly provided herein. Should you cancel service with FES and return to standard offer service 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.

8. **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](http://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](http://www.PUCO.ohio.gov). Residential 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](http://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 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](http://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.

**Environmental Disclosure Information**  
FirstEnergy Solutions  
Projected Data for the 2012 Calendar Year

|  |  |   |               |                               |            |                               |             |                  |                             |                               |               |                   |           |                               |               |                 |             |                        |                             |                 |            |                  |
|--|--|---|---------------|-------------------------------|------------|-------------------------------|-------------|------------------|-----------------------------|-------------------------------|---------------|-------------------|-----------|-------------------------------|---------------|-----------------|-------------|------------------------|-----------------------------|-----------------|------------|------------------|
| <div>Generation Resource Mix-</div> <div>A comparison between the sources of generation used to produce this product and the historic regional average supply mix.</div> | <div>Supplier's Product</div> <div><div><div>Hydro2%</div><div>Wind1%</div><div>Unknown1%</div><div>Nuclear25%</div><div>Coal71%</div></div></div>   | <div>Regional</div> <div><div>Oil0.5%</div><div>Gas7%</div><div>Hydro1%</div><div>Nuclear16%</div><div>Coal74%</div><div>Wind0.5%</div><div>Biomass1%</div></div> |               |                               |            |                               |             |                  |                             |                               |               |                   |           |                               |               |                 |             |                        |                             |                 |            |                  |
| <div>Environmental Characteristics-</div> <div>A description of the characteristics associated with each possible generation resource.</div>                             | <table><tr><td>Biomass Power</td><td>Air Emissions and Solid Waste</td></tr><tr><td>Coal Power</td><td>Air Emissions and Solid Waste</td></tr><tr><td>Hydro Power</td><td>Wildlife Impacts</td></tr><tr><td>Natural Gas Power</td><td>Air Emissions and Solid Waste</td></tr><tr><td>Nuclear Power</td><td>Radioactive Waste</td></tr><tr><td>Oil Power</td><td>Air Emissions and Solid Waste</td></tr><tr><td>Other Sources</td><td>Unknown Impacts</td></tr><tr><td>Solar Power</td><td>No Significant Impacts</td></tr><tr><td>Unknown Purchased Resources</td><td>Unknown Impacts</td></tr><tr><td>Wind Power</td><td>Wildlife Impacts</td></tr></table> |   | Biomass Power | Air Emissions and Solid Waste | Coal Power | Air Emissions and Solid Waste | Hydro Power | Wildlife Impacts | Natural Gas Power           | Air Emissions and Solid Waste | Nuclear Power | Radioactive Waste | Oil Power | Air Emissions and Solid Waste | Other Sources | Unknown Impacts | Solar Power | No Significant Impacts | Unknown Purchased Resources | Unknown Impacts | Wind Power | Wildlife Impacts |
| Biomass Power  | Air Emissions and Solid Waste  |   |               |                               |            |                               |             |                  |                             |                               |               |                   |           |                               |               |                 |             |                        |                             |                 |            |                  |
| Coal Power   | Air Emissions and Solid Waste  |   |               |                               |            |                               |             |                  |                             |                               |               |                   |           |                               |               |                 |             |                        |                             |                 |            |                  |
| Hydro Power  | Wildlife Impacts   |   |               |                               |            |                               |             |                  |                             |                               |               |                   |           |                               |               |                 |             |                        |                             |                 |            |                  |
| Natural Gas Power  | Air Emissions and Solid Waste  |   |               |                               |            |                               |             |                  |                             |                               |               |                   |           |                               |               |                 |             |                        |                             |                 |            |                  |
| Nuclear Power  | Radioactive Waste  |   |               |                               |            |                               |             |                  |                             |                               |               |                   |           |                               |               |                 |             |                        |                             |                 |            |                  |
| Oil Power  | Air Emissions and Solid Waste  |   |               |                               |            |                               |             |                  |                             |                               |               |                   |           |                               |               |                 |             |                        |                             |                 |            |                  |
| Other Sources  | Unknown Impacts  |   |               |                               |            |                               |             |                  |                             |                               |               |                   |           |                               |               |                 |             |                        |                             |                 |            |                  |
| Solar Power  | No Significant Impacts   |   |               |                               |            |                               |             |                  |                             |                               |               |                   |           |                               |               |                 |             |                        |                             |                 |            |                  |
| Unknown Purchased Resources  | Unknown Impacts  |   |               |                               |            |                               |             |                  |                             |                               |               |                   |           |                               |               |                 |             |                        |                             |                 |            |                  |
| Wind Power   | Wildlife Impacts   |   |               |                               |            |                               |             |                  |                             |                               |               |                   |           |                               |               |                 |             |                        |                             |                 |            |                  |
| <div>Air Emissions-</div> <div>A comparison between the air emissions related to this product and the regional average air emissions</div>                               | <div><div><div><div>Carbon Dioxide</div><div>Sulfur Dioxide</div><div>Nitrogen Oxides</div></div><div><div><div></div><div></div><div></div></div><div><div></div><div></div><div></div></div><div><div></div><div></div><div></div></div><div><div></div><div></div><div></div></div><div><div></div><div></div><div></div></div><div><div></div><div></div><div></div></div><div><div></div><div></div><div></div></div><div><div></div><div></div><div></div></div></div><div>Regional Average</div></div></div>  |   |               |                               |            |                               |             |                  |                             |                               |               |                   |           |                               |               |                 |             |                        |                             |                 |            |                  |
| <div>Radioactive Waste-</div> <div>Radioactive waste associated with the product</div>   | <table><tr><td>Type :</td><td>Projected Quantity:</td><td></td></tr><tr><td>High-Level Radioactive Waste</td><td>0.0021</td><td>Lbs./1,000 kWh</td></tr><tr><td>Low-Level Radioactive Waste</td><td>0.0001</td><td>Ft³/1,000 kWh</td></tr></table> <div>Note: The generation of this product involves the use of 1% projected Unknown Purchased Resources. The air emissions and radioactive wastes associated with these unknown resources are not included in these charts.</div>  |   | Type :        | Projected Quantity:           |            | High-Level Radioactive Waste  | 0.0021      | Lbs./1,000 kWh   | Low-Level Radioactive Waste | 0.0001                        | Ft³/1,000 kWh |                   |           |                               |               |                 |             |                        |                             |                 |            |                  |
| Type :   | Projected Quantity:  |   |               |                               |            |                               |             |                  |                             |                               |               |                   |           |                               |               |                 |             |                        |                             |                 |            |                  |
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| Low-Level Radioactive Waste  | 0.0001   | Ft³/1,000 kWh   |               |                               |            |                               |             |                  |                             |                               |               |                   |           |                               |               |                 |             |                        |                             |                 |            |                  |

Renewable Energy Credits: FirstEnergy Solutions purchases renewable energy credits (RECs) as a means of complying with the renewable energy resource benchmark under the state's alternative energy portfolio standard requirements. The requirement for 2012 is 1.5% renewable, including 0.06% solar.

With in-depth analysis, the environmental characteristics of any form of electric generation will reveal benefits as well as costs. For further information, contact FirstEnergy Solutions Corp at [www.fes.com](http://www.fes.com) or by phone at 1-888-254-6359.

April 4, 2012

Re: **Great news – FirstEnergy Solutions’ Village of Navarre aggregation program continues to offer savings!**

Dear Village of Navarre Business,

As a Village of Navarre business, you are included in your community’s aggregation program which provides the opportunity to save money on the electricity you use. Savings are possible through governmental aggregation, where community 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. Village of Navarre voters approved this program in May 2003.

FirstEnergy Solutions Corp., a subsidiary of FirstEnergy Corp., has been selected to provide you with savings on your electric generation through May 2015. You may already be saving with FirstEnergy Solutions through this program, and this is your opportunity to extend your savings. **There is no cost for enrollment, you will not be charged a switching fee, and you do not need to do anything to participate.** Please see the enclosed FAQs for more information.

As a member of this aggregation program, you are guaranteed to save 4 percent off your Price to Compare. Your Price to Compare is 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, 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.

If you are a new member of the program, 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 the Village of Navarre 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 April 25, 2012 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 \$50 cancellation fee from FirstEnergy Solutions.

If you are not currently receiving electric generation from FirstEnergy Solutions, 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 a member of the Village of Navarre electric governmental aggregation program, you don’t need to take any action when this letter arrives. If you are currently enrolled in the community’s aggregation program you will not receive a letter from Ohio Edison.

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 the Village of Navarre with aggregation program questions.

Sincerely,

Village of Navarre Local Officials

P.S. To receive these savings, **you should not respond.** Return the opt-out form only if you do not want to participate in the Village of Navarre electric governmental aggregation program.

OPT-OUT FORM – VILLAGE OF NAVARRE BUSINESS ELECTRIC GOVERNMENTAL AGGREGATION PROGRAM

|  |           |  |
|--|-----------|--|
| <b>Option 1: Do nothing and save.</b><br>If you want to participate in this program and save, you do not need to return this form. Your enrollment is automatic. | <b>OR</b> | <b>Option 2: Opt out by returning this form.</b><br>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 businesses in the Village of Navarre Electric Governmental Aggregation Program.

☐ I wish to opt out of the Village of Navarre Electric Governmental Aggregation Program. (Check box to opt out.)

Service address (City, state and zip):

Phone number:

Account holder’s signature: Date:

Mail by April 25, 2012 to: Village of Navarre Electric Governmental Aggregation Program, 341 White Pond Drive, Bldg. B-2, Akron, Ohio 44320

## **Village of Navarre 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 my community able to choose a certified electric generation supplier on my behalf?**

In May 2003, Village of Navarre residents voted to allow the community to contract for an electric generation supplier on their behalf.

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Under the Village of Navarre governmental aggregation program, the price you pay for electric generation supply is guaranteed to be lower. In other words, each month, you'll receive the percent discount listed in your opt-out letter by year for the generation portion of your electric supply than if you had not joined the 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 load management equipment?**

Yes, you will still benefit from the utility's credits even if you switch to an alternative supplier.

### **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 discount by simply not returning the opt-out form.

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### **I am already a member of this program. Why am I receiving this letter?**

As a current member of your community's electric governmental aggregation program, you are given the opportunity to opt-out of the program at least every three years at no charge. Your previous contract with FirstEnergy Solutions is coming to an end, and this is your opportunity to either opt-out or continue saving with FirstEnergy Solutions.

### **What does "opt out" mean?**

"Opt out" means that you can decide not to participate in the Village of Navarre 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, your community's competitive electric generation supplier, and you will not receive the discount.

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

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**Can I opt out over the phone?**

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Yes. How you pay your electric bill will not change.

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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.

**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 ("Agreement"). Please keep a copy of this Agreement for your records.

FES is certified by the Ohio Public Utility Commission ("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.

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**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**

1. **Eligibility.** Only Residential Customer accounts not enrolled in the 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 charges described above, if any regional transmission organization or similar entity, EDU, governmental entity or agency, NERC and other industry reliability organization, or court requires a change to the terms of the Agreement, or imposes upon Supplier new or additional charges or requirements, or a change in the method or procedure for determining charges or requirements, relating to your electric supply under this Agreement (any of the foregoing, a "Pass-Through Event"), which are not otherwise reimbursed to FES, Customer agrees that Supplier may pass through the additional cost to Supplier of such Pass-Through Event, which may be variable, to Customer. Changes may include, without limitation, transmission or capacity requirements, new or modified charges or shopping credits, and other changes to retail electric customer access programs.

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5. **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.

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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.

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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](http://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.

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**Environmental Disclosure Information**  
FirstEnergy Solutions  
Projected Data for the 2012 Calendar Year

|  |  |   |               |                               |            |                               |             |                  |                             |                               |               |                   |           |                               |               |                 |             |                        |                             |                 |            |                  |
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| <div><div>Generation Resource Mix-</div><div>A comparison between the sources of generation used to produce this product and the historic regional average supply mix.</div></div> | <div><div>Supplier's Product</div><div><div><div><div>Hydro2%</div><div>Wind1%</div><div>Unknown1%</div><div>Nuclear25%</div><div>Coal71%</div></div></div></div></div>  | <div><div>Regional</div><div><div><div><div>Wind0.5%</div><div>Oil0.5%</div><div>Gas7%</div><div>Hydro1%</div><div>Nuclear16%</div><div>Coal74%</div><div>Biomass1%</div></div></div></div></div> |               |                               |            |                               |             |                  |                             |                               |               |                   |           |                               |               |                 |             |                        |                             |                 |            |                  |
| <div><div>Environmental Characteristics-</div><div>A description of the characteristics associated with each possible generation resource.</div></div>                             | <table><tr><td>Biomass Power</td><td>Air Emissions and Solid Waste</td></tr><tr><td>Coal Power</td><td>Air Emissions and Solid Waste</td></tr><tr><td>Hydro Power</td><td>Wildlife Impacts</td></tr><tr><td>Natural Gas Power</td><td>Air Emissions and Solid Waste</td></tr><tr><td>Nuclear Power</td><td>Radioactive Waste</td></tr><tr><td>Oil Power</td><td>Air Emissions and Solid Waste</td></tr><tr><td>Other Sources</td><td>Unknown Impacts</td></tr><tr><td>Solar Power</td><td>No Significant Impacts</td></tr><tr><td>Unknown Purchased Resources</td><td>Unknown Impacts</td></tr><tr><td>Wind Power</td><td>Wildlife Impacts</td></tr></table> |   | Biomass Power | Air Emissions and Solid Waste | Coal Power | Air Emissions and Solid Waste | Hydro Power | Wildlife Impacts | Natural Gas Power           | Air Emissions and Solid Waste | Nuclear Power | Radioactive Waste | Oil Power | Air Emissions and Solid Waste | Other Sources | Unknown Impacts | Solar Power | No Significant Impacts | Unknown Purchased Resources | Unknown Impacts | Wind Power | Wildlife Impacts |
| Biomass Power  | Air Emissions and Solid Waste  |   |               |                               |            |                               |             |                  |                             |                               |               |                   |           |                               |               |                 |             |                        |                             |                 |            |                  |
| Coal Power   | Air Emissions and Solid Waste  |   |               |                               |            |                               |             |                  |                             |                               |               |                   |           |                               |               |                 |             |                        |                             |                 |            |                  |
| Hydro Power  | Wildlife Impacts   |   |               |                               |            |                               |             |                  |                             |                               |               |                   |           |                               |               |                 |             |                        |                             |                 |            |                  |
| Natural Gas Power  | Air Emissions and Solid Waste  |   |               |                               |            |                               |             |                  |                             |                               |               |                   |           |                               |               |                 |             |                        |                             |                 |            |                  |
| Nuclear Power  | Radioactive Waste  |   |               |                               |            |                               |             |                  |                             |                               |               |                   |           |                               |               |                 |             |                        |                             |                 |            |                  |
| Oil Power  | Air Emissions and Solid Waste  |   |               |                               |            |                               |             |                  |                             |                               |               |                   |           |                               |               |                 |             |                        |                             |                 |            |                  |
| Other Sources  | Unknown Impacts  |   |               |                               |            |                               |             |                  |                             |                               |               |                   |           |                               |               |                 |             |                        |                             |                 |            |                  |
| Solar Power  | No Significant Impacts   |   |               |                               |            |                               |             |                  |                             |                               |               |                   |           |                               |               |                 |             |                        |                             |                 |            |                  |
| Unknown Purchased Resources  | Unknown Impacts  |   |               |                               |            |                               |             |                  |                             |                               |               |                   |           |                               |               |                 |             |                        |                             |                 |            |                  |
| Wind Power   | Wildlife Impacts   |   |               |                               |            |                               |             |                  |                             |                               |               |                   |           |                               |               |                 |             |                        |                             |                 |            |                  |
| <div><div>Air Emissions-</div><div>A comparison between the air emissions related to this product and the regional average air emissions</div></div>                               | <div><div><div><div><div>Carbon Dioxide</div><div>Sulfur Dioxide</div><div>Nitrogen Oxides</div></div><div><div><div></div><div></div><div></div></div></div></div><div><div>Regional Average</div></div></div></div>  |   |               |                               |            |                               |             |                  |                             |                               |               |                   |           |                               |               |                 |             |                        |                             |                 |            |                  |
| <div><div>Radioactive Waste-</div><div>Radioactive waste associated with the product</div></div>   | <table><tr><td>Type :</td><td>Projected Quantity:</td><td></td></tr><tr><td>High-Level Radioactive Waste</td><td>0.0021</td><td>Lbs./1,000 kWh</td></tr><tr><td>Low-Level Radioactive Waste</td><td>0.0001</td><td>Ft³/1,000 kWh</td></tr></table> <div>Note: The generation of this product involves the use of 1% projected Unknown Purchased Resources. The air emissions and radioactive wastes associated with these unknown resources are not included in these charts.</div>  |   | Type :        | Projected Quantity:           |            | High-Level Radioactive Waste  | 0.0021      | Lbs./1,000 kWh   | Low-Level Radioactive Waste | 0.0001                        | Ft³/1,000 kWh |                   |           |                               |               |                 |             |                        |                             |                 |            |                  |
| Type :   | Projected Quantity:  |   |               |                               |            |                               |             |                  |                             |                               |               |                   |           |                               |               |                 |             |                        |                             |                 |            |                  |
| High-Level Radioactive Waste   | 0.0021   | Lbs./1,000 kWh  |               |                               |            |                               |             |                  |                             |                               |               |                   |           |                               |               |                 |             |                        |                             |                 |            |                  |
| Low-Level Radioactive Waste  | 0.0001   | Ft³/1,000 kWh   |               |                               |            |                               |             |                  |                             |                               |               |                   |           |                               |               |                 |             |                        |                             |                 |            |                  |

Renewable Energy Credits: FirstEnergy Solutions purchases renewable energy credits (RECs) as a means of complying with the renewable energy resource benchmark under the state's alternative energy portfolio standard requirements. The requirement for 2012 is 1.5% renewable, including 0.06% solar.

With in-depth analysis, the environmental characteristics of any form of electric generation will reveal benefits as well as costs. For further information, contact FirstEnergy Solutions Corp at [www.fes.com](http://www.fes.com) or by phone at 1-888-254-6359.



April 4, 2012

**save  
money**  
on your  
electric bill  
every month!

Dear Village of Navarre Business,

The Village of Navarre is providing you the opportunity to join other businesses to save money on the electricity you use.

We have researched offers from various electric suppliers and have secured a special discounted price on electric generation from FirstEnergy Solutions.

Through this special offer, you'll receive 4 percent off your utility's electric generation price through May 2015. This means you'll pay less than what the utility would charge you – and you'll continue to receive only one electric bill.

To take advantage of this offer, please respond by April 25, 2012. You can respond by:

- **Mail:** Complete and return the opt-in form below using the enclosed postage-paid envelope
- **Fax:** Fill in the form and fax this letter to 1-888-820-1416.
- **Phone:** Call us at 1-866-636-3749, 8 a.m. – 5 p.m., Monday – Friday.
- **Email:** Complete the form, scan it and email to us at [firstchoiceathome@fes.com](mailto:firstchoiceathome@fes.com).

For more information, see the enclosed Frequently Asked Questions or call FirstEnergy Solutions at 1-866-636-3749, 8 a.m. – 5 p.m., Monday – Friday.

We're pleased to offer you this savings program and hope you take advantage of this opportunity. Be sure to complete and respond by April 25, 2012.

Sincerely,

Village of Navarre Local Officials

☒ **Yes**, I want to save 4% on my electric generation through this electric governmental aggregation program.

[Name on Electric Bill]

[LDC ACCNT 080XXXXXXXXXXXXXXXXXXXXX]

[Electric Service Address]

[SYSIDBXXXXXXX]

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

Account Holder Signature \_\_\_\_\_ Date \_\_\_\_\_



## Frequently Asked Questions

**Q. What is aggregation?**

A. 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.

**Q. How is my community able to choose a certified electric generation supplier on my behalf?**

A. Residents in your community voted to allow the community to contract for an electric generation supplier on their behalf.

**Q. How will I know if I can save money by participating in this program?**

A. In this program, the price you pay for electric generation supply is 4 percent lower than the utility's price. 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 program.

**Q. What do I need to do if I *want* to be included in this program?**

A. Simply complete the enclosed form and return it in the postage-paid envelope provided before the date shown in the letter.

**Q. If I join this program, who will deliver my power, read my meter and respond to emergencies, such as power outages?**

A. Your local electric utility will be responsible for the delivery of power to your home. 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.

**Q. What happens when I leave the electric utility? Will my power supply be interrupted?**

A. No, there will be no interruption to your power supply. The process is seamless, and your reliability and service will not be affected.

**Q. If I switch electricity suppliers, will my reliability suffer?**

A. No. Under law, the utility cannot provide different levels of service to customers who receive generation service from an alternative supplier. You will continue to receive the same level of service from your utility, including delivery, emergency response and meter reading.

**Q. Are there any costs to enroll?**

A. No, there are absolutely no costs to enroll.

**Q. Is this offer a fixed price, or does it vary?**

A. 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.

**Q. Are there any cancellation fees?**

A. There are no fees if you move. If you choose to leave the program early for any other reason, business customers will be subject to a \$50 cancellation fee per utility account.

**Q. Will I receive a separate bill from FirstEnergy Solutions?**

A. No, you will continue to receive only one bill from your electric utility. After you begin service under this program, you will see FirstEnergy Solutions listed as the supplier on your bill.

**Q. Can I still have my payment automatically deducted from my checking account as I do now?**

A. Yes. How you pay your electric bill will not change.

**Q. Who is FirstEnergy Solutions?**

A. 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.

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|--|--|---|---------------|-------------------------------|------------|-------------------------------|-------------|------------------|-----------------------------|-------------------------------|---------------|-------------------|-----------|-------------------------------|---------------|-----------------|-------------|------------------------|-----------------------------|-----------------|------------|------------------|
| <div>Generation Resource Mix-</div> <div>A comparison between the sources of generation used to produce this product and the historic regional average supply mix.</div> | <div>Supplier's Product</div> <div><div><div><div>Hydro2%</div><div>Wind1%</div><div>Unknown1%</div><div>Nuclear25%</div><div>Coal71%</div></div></div></div>  | <div>Regional</div> <div><div><div><div>Oil0.5%</div><div>Gas7%</div><div>Hydro1%</div><div>Nuclear16%</div><div>Coal74%</div><div>Biomass1%</div><div>Wind0.5%</div></div></div></div> |               |                               |            |                               |             |                  |                             |                               |               |                   |           |                               |               |                 |             |                        |                             |                 |            |                  |
| <div>Environmental Characteristics-</div> <div>A description of the characteristics associated with each possible generation resource.</div>                             | <table><tr><td>Biomass Power</td><td>Air Emissions and Solid Waste</td></tr><tr><td>Coal Power</td><td>Air Emissions and Solid Waste</td></tr><tr><td>Hydro Power</td><td>Wildlife Impacts</td></tr><tr><td>Natural Gas Power</td><td>Air Emissions and Solid Waste</td></tr><tr><td>Nuclear Power</td><td>Radioactive Waste</td></tr><tr><td>Oil Power</td><td>Air Emissions and Solid Waste</td></tr><tr><td>Other Sources</td><td>Unknown Impacts</td></tr><tr><td>Solar Power</td><td>No Significant Impacts</td></tr><tr><td>Unknown Purchased Resources</td><td>Unknown Impacts</td></tr><tr><td>Wind Power</td><td>Wildlife Impacts</td></tr></table> |   | Biomass Power | Air Emissions and Solid Waste | Coal Power | Air Emissions and Solid Waste | Hydro Power | Wildlife Impacts | Natural Gas Power           | Air Emissions and Solid Waste | Nuclear Power | Radioactive Waste | Oil Power | Air Emissions and Solid Waste | Other Sources | Unknown Impacts | Solar Power | No Significant Impacts | Unknown Purchased Resources | Unknown Impacts | Wind Power | Wildlife Impacts |
| Biomass Power  | Air Emissions and Solid Waste  |   |               |                               |            |                               |             |                  |                             |                               |               |                   |           |                               |               |                 |             |                        |                             |                 |            |                  |
| Coal Power   | Air Emissions and Solid Waste  |   |               |                               |            |                               |             |                  |                             |                               |               |                   |           |                               |               |                 |             |                        |                             |                 |            |                  |
| Hydro Power  | Wildlife Impacts   |   |               |                               |            |                               |             |                  |                             |                               |               |                   |           |                               |               |                 |             |                        |                             |                 |            |                  |
| Natural Gas Power  | Air Emissions and Solid Waste  |   |               |                               |            |                               |             |                  |                             |                               |               |                   |           |                               |               |                 |             |                        |                             |                 |            |                  |
| Nuclear Power  | Radioactive Waste  |   |               |                               |            |                               |             |                  |                             |                               |               |                   |           |                               |               |                 |             |                        |                             |                 |            |                  |
| Oil Power  | Air Emissions and Solid Waste  |   |               |                               |            |                               |             |                  |                             |                               |               |                   |           |                               |               |                 |             |                        |                             |                 |            |                  |
| Other Sources  | Unknown Impacts  |   |               |                               |            |                               |             |                  |                             |                               |               |                   |           |                               |               |                 |             |                        |                             |                 |            |                  |
| Solar Power  | No Significant Impacts   |   |               |                               |            |                               |             |                  |                             |                               |               |                   |           |                               |               |                 |             |                        |                             |                 |            |                  |
| Unknown Purchased Resources  | Unknown Impacts  |   |               |                               |            |                               |             |                  |                             |                               |               |                   |           |                               |               |                 |             |                        |                             |                 |            |                  |
| Wind Power   | Wildlife Impacts   |   |               |                               |            |                               |             |                  |                             |                               |               |                   |           |                               |               |                 |             |                        |                             |                 |            |                  |
| <div>Air Emissions-</div> <div>A comparison between the air emissions related to this product and the regional average air emissions</div>                               | <div><div><div><div><div>Carbon Dioxide</div><div>Sulfur Dioxide</div><div>Nitrogen Oxides</div></div><div><div><div></div><div></div><div></div></div><div><div></div><div></div><div></div></div><div><div></div><div></div><div></div></div><div><div></div><div></div><div></div></div><div><div></div><div></div><div></div></div></div></div><div>Regional Average</div></div></div>   |   |               |                               |            |                               |             |                  |                             |                               |               |                   |           |                               |               |                 |             |                        |                             |                 |            |                  |
| <div>Radioactive Waste-</div> <div>Radioactive waste associated with the product</div>   | <table><tr><td>Type :</td><td>Projected Quantity:</td><td></td></tr><tr><td>High-Level Radioactive Waste</td><td>0.0021</td><td>Lbs./1,000 kWh</td></tr><tr><td>Low-Level Radioactive Waste</td><td>0.0001</td><td>Ft³/1,000 kWh</td></tr></table> <div>Note: The generation of this product involves the use of 1% projected Unknown Purchased Resources. The air emissions and radioactive wastes associated with these unknown resources are not included in these charts.</div>  |   | Type :        | Projected Quantity:           |            | High-Level Radioactive Waste  | 0.0021      | Lbs./1,000 kWh   | Low-Level Radioactive Waste | 0.0001                        | Ft³/1,000 kWh |                   |           |                               |               |                 |             |                        |                             |                 |            |                  |
| Type :   | Projected Quantity:  |   |               |                               |            |                               |             |                  |                             |                               |               |                   |           |                               |               |                 |             |                        |                             |                 |            |                  |
| High-Level Radioactive Waste   | 0.0021   | Lbs./1,000 kWh  |               |                               |            |                               |             |                  |                             |                               |               |                   |           |                               |               |                 |             |                        |                             |                 |            |                  |
| Low-Level Radioactive Waste  | 0.0001   | Ft³/1,000 kWh   |               |                               |            |                               |             |                  |                             |                               |               |                   |           |                               |               |                 |             |                        |                             |                 |            |                  |

Renewable Energy Credits: FirstEnergy Solutions purchases renewable energy credits (RECs) as a means of complying with the renewable energy resource benchmark under the state's alternative energy portfolio standard requirements. The requirement for 2012 is 1.5% renewable, including 0.06% solar.

With in-depth analysis, the environmental characteristics of any form of electric generation will reveal benefits as well as costs. For further information, contact FirstEnergy Solutions Corp at [www.fes.com](http://www.fes.com) or by phone at 1-888-254-6359.

**This foregoing document was electronically filed with the Public Utilities**

**Commission of Ohio Docketing Information System on**

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**in**

**Case No(s). 03-1504-EL-GAG**

Summary: Opt-Out Notice for the Village of Navarre - to be sent to eligible customers on or after April 4, 2012 with the deadline to be on or after April 25, 2012 electronically filed by Mrs. Lyn Corliss - Angle on behalf of FirstEnergy Solutions