

February 10, 2015

Public Utilities Commission of Ohio  
Docketing Division, 11<sup>th</sup> Floor  
180 East Broad Street  
Columbus, Ohio 43215-3793

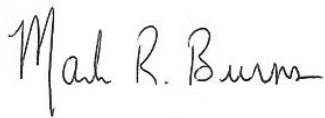
**RE: Electric Governmental Aggregator Application for recertification for the City of Loveland (Case 13-581-EL-GAG).**

Enclosed please find the application for recertification as a Governmental Aggregator of Electricity for the City of Loveland. Please file under case number 13-581-EL-GAG.

Independent Energy Consultants, Inc. is providing aggregation consulting services to the City of Loveland and is filing this application on their behalf.

If you have any additional needs or questions, please call me at 330-995-2675 or email me at [mburns@naturalgas-electric.com](mailto:mburns@naturalgas-electric.com)

Sincerely,



Mark R. Burns  
President

Enclosures



## Public Utilities Commission

Original GAG Case Number	Version
13 - 581 -EL-GAG	August 2004

### RENEWAL APPLICATION FOR GOVERNMENTAL AGGREGATORS

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

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

#### A. RENEWAL INFORMATION

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

Legal Name City of Loveland

Address 120 Loveland Avenue Loveland, Ohio 45140

PUCO Certificate # and Date Certified 13-671E(1) April 4, 2013

Telephone # (513) 683-0150 Web site address (if any) www.lovelandoh.com

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

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

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

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

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

Name Mark R. Burns

Title President, Independent Energy Consultants, Inc.

Business address 215 W. Garfield Road, Suite 210 Aurora, Ohio 44202

Telephone # (330) 995-2675

Fax # (800) 574-4508

E-mail address (if any) mburns@naturalgas-electric.com

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

Name Mark R. Burns

Title President, Independent Energy Consultants, Inc.

Business address 215 W. Garfield Road, Suite 210 Aurora, Ohio 44202

Telephone # (330) 995-2675

Fax # (800) 574-4508

E-mail address (if any) mburns@naturalgas-electric.com

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

Customer Service address 215 W. Garfield Road, Suite 210 Aurora, Ohio 44202

Toll-free Telephone # (888) 862-6060

Fax # (800) 574-4508

E-mail address (if any) info@naturalgas-electric.com

 CITY MANAGER  
Signature of Applicant & Title

Sworn and subscribed before me this 29 day of Jan., 2015  
Month Year

Misty Cheshire  
Signature of official administering oath

Misty Cheshire, Notary  
Print Name and Title

My commission expires on Aug. 31, 2015



OFFICIAL SEAL  
MISTY CHESHIRE  
NOTARY PUBLIC, STATE OF OHIO  
MY COMMISSION EXPIRES AUG. 31, 2015



# **AFFIDAVIT**

State of Ohio :

City of Loveland  
(Town)

County of Clermont, Hamilton, and Warren

Dave Kennedy, Affiant, being duly sworn/affirmed according to law, deposes and says that:

He/~~She~~ is the City Manager (Office of Affiant) of City of Loveland (Name of Applicant);

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

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

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

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

  
Signature of Affiant & Title CITY MANAGER

Sworn and subscribed before me this 29 day of Jan., 2015  
Month Year

  
Signature of official administering oath

Misty Cheshire, Notary  
Print Name and Title

My commission expires on Aug. 31, 2015



OFFICIAL SEAL  
MISTY CHESHIRE  
NOTARY PUBLIC, STATE OF OHIO  
MY COMMISSION EXPIRES AUG. 31, 2015

EMERGENCY ORDINANCE 2013 - 12

Ordinance acknowledging the authorization and establishment of an electric Governmental Aggregation Program ("Aggregation Program") with opt-out provisions pursuant to Section 4928.20 of the Ohio Revised Code for the residents, businesses, and other electric consumers in the City of Loveland; authorizing the City Manager to execute a supply agreement with a P.U.C.O. certified supplier; and declaring an emergency

**WHEREAS**, on November 6, 2012, Loveland residents voted in favor of the City having the authority to aggregate the retail electric loads located in the City and to enter into service agreements to facilitate for those loads the sale and purchase of electricity pursuant to Section 4928.20 of the Ohio Revised Code; and

**WHEREAS**, after the passage of the ballot, the City Council held two public hearings as required by Ohio Revised Code 4928.20(c) to explain customer rights in an "opt-out" aggregation and to adopt a Plan of Operations and Governance for its electric governmental aggregation program.

**NOW, THEREFORE BE IT ORDAINED** by the Council of the City of Loveland, Hamilton, Clermont and Warren County, Ohio:

**Section 1.** That the City Council of Loveland acknowledges the affirmative vote of the electorate on November 6, 2012, thereby granting authority to the City of Loveland to establish an electric aggregation program.

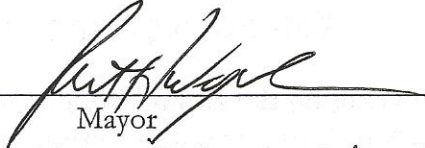
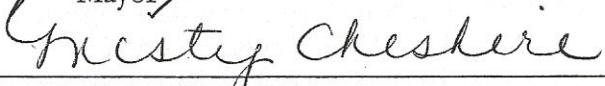
**Section 2.** That this Council hereby adopts the City of Loveland's Plan of Operations and Governance, attached hereto and incorporated herein by reference as Exhibit A, for the implementation and administration of the City's electric aggregation program in accordance with Ohio Revised Code 4928.20(c).

**Section 3.** That the City Manager is hereby authorized to enter into an electric supply service agreement with a P.U.C.O. Certified Retail Electric Service Supplier to facilitate the sale and purchase of electricity in the City's opt-out program.

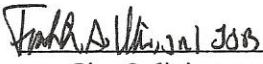
**Section 4.** That it is found and determined that all formal actions of this Council concerning and relating to the adoption of this Ordinance were adopted in an open meeting of this Council, and that all deliberations of this Council and any of its committees that resulted in such formal action, were in meetings open to the public, in compliance with all legal requirements, including section 121.22 of the Ohio Revised Code.

**Section 5.** That this Ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the health, safety, welfare and morals of the City of Loveland, and is necessary in order to begin the process of P.U.C.O. certification at the earliest possible date.



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

Approved as to Form:

  
\_\_\_\_\_  
City Solicitor

First Reading: 2-12-13  
Second Reading: Emergency  
Passed: 2-12-13

# CITY OF LOVELAND ELECTRIC AGGREGATION PROGRAM

## Plan of Operations and Governance

For additional information contact:  
Mark R. Burns, President  
Independent Energy Consultants, Inc.  
Ph: (330) 995-2675





## Table of Contents

1. Purpose of Electric Aggregation Program & Services.....	9
2. Determination of Rates and Other Charges.....	10
3. Process for Providing Opt-Out Disclosure Notices .....	11
4. Determination of Eligible Customer Pool .....	11
5. Opt-Out Process .....	12
6. Customer Classes Included .....	13
7. Billing Procedures.....	14
8. Credit/Deposit Requirements.....	14
9. Procedures for Handling Customer Complaints and Dispute Resolution .....	14
10. Moving Into/Within the City .....	15
11. Moving Within the City and Maintaining the Same Account Number .....	15
12. Joining the Aggregation Group after Opting-Out.....	16
13. Reliability of Power Supply .....	16
14. Supplier Qualification Selection Criteria.....	16
15. Miscellaneous .....	17

## **1. Purpose of Electric Aggregation Program & Services**

This aggregation plan has been developed in compliance with Ohio Revised Code, Section 4928.20 regarding governmental aggregation of electric service. That section of the Code defines two different types of aggregation that may be enacted by a governmental entity; opt-in aggregation and opt-out aggregation. The City of Loveland ("the City") will administer an opt-out aggregation program that will automatically include all eligible electric accounts receiving a beneficial offer from a Competitive Retail Electric Service Supplier (CRES Supplier). Those customers will be given prior notice entitling them to affirmatively elect not to be part of the Program.

The City passed the necessary ordinance to place the issue of Opt-out Governmental Aggregation of electricity on the November 6, 2012 ballot. The ballot issue subsequently passed. The City will follow the Plan of Operation and Governance ("Plan") outlined below. This Plan was adopted after two public hearings were held in accordance with section 4928.20 (C) of the Ohio Revised Code.

The City's Aggregation Program ("Program") seeks to aggregate the retail electric loads of consumers located in the City to negotiate the best rates for the generation supply of electric power. With a City population of approximately 12,000 the Program has the potential to combine residential accounts and small commercial accounts into a buying group that will be attractive to a Competitive Retail Electric Service Supplier (CRES Supplier). Participation in the Program is voluntary. Any individual customer ("Member") has the opportunity to decline to be a Member of the aggregation Program and to return to the local utility (Duke Energy) standard offer of service or to enter into a power supply contract with any CRES Supplier.

Residential and small commercial electric customers often lack the ability to effectively negotiate electric supply services. The City's Program provides them an opportunity to benefit from professional representation and bargaining power achieved through an aggregation Program.

The aggregation Program is designed to reduce the amount Members pay for electric energy and to gain other favorable terms of service. The City will not buy and resell the power to the Program Members. Instead, the City will competitively bid and negotiate a contract with a CRES Supplier to provide firm, full-requirements generation service to the Members of the aggregation Program.

Due to the complexity of deregulation of the electric utility industry, the City has entered into contract with Independent Energy Consultants, Inc. (Independent Energy Consultants), a PUCO certified broker and aggregator of natural gas and electricity. Among other things, Independent Energy Consultants will provide professional assistance which includes these consulting services:

- Draft and assist in maintaining this Plan of Operation and Governance;
- Lead the required Public Hearings and attend Council meetings;
- Assist the City in the day-to-day administration of the Program (problem resolution, press releases, PUCO compliance, supplier liaison, contract review, etc.);

- Administer the Request for Proposal process, analyze supplier responses and provide recommendations for the supply agreement;
- Review customer data provided by Duke Energy that would serve as the basis for an Opt-Out Notice; and
- Write/prepare reports on a quarterly/annual basis to the City, PUCO, PUCO's Market Monitoring division, and the Ohio Consumers' Counsel.

## 2. Determination of Rates and Other Charges

### 2.1. Rates

Through the efforts of its consultant, Independent Energy Consultants, Inc., the City will seek proposals from CRES suppliers. The request for proposals shall require the suppliers to offer a generation charge for firm, full-requirements supply. CRES Providers will bid by Duke Energy customer rate classification or customer class. CRES Providers will be encouraged to bid on as many electric accounts as possible, but it is recognized that from a practical standpoint it is not likely that bids will be received for larger commercial and industrial accounts that require interval metering and individual price analysis. Furthermore, a CRES Provider may not be able to beat Duke Energy's tariff rates for all customer classes and/or rate schedules. The prices to be charged to Members in the Program will be set by the City Council, or their designee, after negotiations with the selected CRES Supplier. Members will be notified of the rates and terms of the Program through a direct mailing sent to each eligible resident and business within the City limits. Once offers are found a table similar to the one shown below will be populated to reflect the offer rates.

<b>Duke Energy Rate Schedule</b>	<b>CRES Supplier Offer</b>
RS – Residential Service	\$.05274/kWh thru June 2016
DM – Secondary Distribution Service	\$.05325/kWh thru June 2016
Other	

### 2.2 Charges

Neither the City nor the selected Supplier will impose any terms, conditions, fees, or charges on any Member served by the governmental aggregation unless the particular term, condition, fee, or charge is clearly disclosed to the Member at the time the Member chose not to opt-out of the aggregation.

Duke Energy will continue to bill for Late Payment, Delivery Charges and Monthly Service Fee, etc. These charges apply whether or not a Member switches to the Program's CRES supplier. Switching generation suppliers will not result in any new charges billed to the Member.

### 2.3 Switching Fees

Should Duke Energy assess a switching fee for Members voluntarily remaining in the aggregation Program; the Request for Proposal will be written to require the

selected supplier to pay the switching fee.

#### 2.4 Early Termination Fee

Members may terminate their agreement without penalty if they relocate outside of the City. Members that leave for other reasons may be assessed an early termination fee by CRES supplier. Early termination fees are standard in most electric contracts. The City will negotiate with the CRES supplier to ensure that any early termination fee assessed is reasonable and clearly stated in the opt-out disclosure notice.

### 3. Process for Providing Opt-Out Disclosure Notices

When a successful supply offer is found, the City shall order the eligible customer list from Duke Energy. Duke Energy shall turn over the list to the City or its consultant upon request. Once the list is obtained, it will be shared with the selected CRES supplier and they will have 30 days from the City's receipt of the data to mail the Opt-Out Notices to all eligible Members receiving an offer.

Prior to including a customer's electric account or accounts in an aggregation, the City in cooperation with the selected CRES supplier, will provide each eligible Member a written Opt-Out Notice conforming to the requirements of Ohio Administrative Code Section 4901:1-21-17.

The selected CRES supplier will be required to pay for printing and mailing of opt-out disclosure notices. The notices will be mailed to the owner or occupant residing at the electric account mailing address shown on Duke Energy's customer list. The notice will contain the City's name and logo to clearly indicate to the recipient that it is a notice from the City.

Prior to mailing Opt-Out Notices a thorough review will be performed to see that all eligible Members receiving an offer are sent the notice. The review process will include the efforts of numerous parties and utilize a number of resources as specified in section four of this Plan.

Following acceptance of an offer by the City, the CRES supplier will mail Opt-Out Notices to eligible Members. Members will have 21 days from the postmark date on the notice to postmark the return opt-out card if they do not wish to participate in the City's Program.

In the event that an eligible Member is inadvertently not sent an Opt-Out Notice and is omitted from the Program, the CRES supplier shall, upon request, enroll the eligible Member at the group rate for the remaining term.

### 4. Determination of Eligible Customer Pool

Under the opt-out aggregation provisions, all eligible electric consumers within the City will be automatically included in the Program. However, such customers will be given prior notice entitling them to affirmatively elect not to be part of the Program.



Prior to mailing Opt-Out Notices a thorough review will be performed to see that all ineligible customers are excluded. The review process will include the efforts of numerous parties and utilize a number of resources:

- Duke Energy will query their customer database using best efforts to capture all accounts within the City limits;
- The City's consultant working with the CRES supplier, available City resources and publicly available material shall screen out customers who are not located within the City limits. Those resources may include any or all of the following: Property records, water and/or sewer records, fire and/or police department address records, 911 address records, street listings City maps, internet maps, county parcel mapping databases, and geographical information systems (GIS);
- Ineligible accounts will be screened out based on codes provided in the Duke Energy data;
- The data shall be reviewed to see that all zip codes have been included, all streets included, all customer classes, all customer rate schedules, and finally that an expected total for a community of this population was turned over;
- Any suspected omissions will be reported to Duke Energy along with a request to furnish that data; and
- Eligibility may be limited by a supplier's offer. For example, a fixed rate might not be offered to an account if their Price-to-Compare indicates they would not save.

## **5. Opt-Out Process**

The City is using an Opt-Out form of Governmental Aggregation pursuant to section 4928.20 of the Ohio Revised Code. Any such person that opts-out of the aggregation Program pursuant to stated procedure will default to the standard service offer provided by Duke Energy until the person chooses an alternative supplier.

When a successful supply offer is found the City shall order the eligible customer list from Duke Energy. Duke Energy shall turn over the list to the City or its consultant upon request. Once the list is obtained, it will be shared with the selected CRES supplier and they will have 30 days from the City's receipt of the data to mail the Opt-Out Notices to all eligible Members receiving an offer.

The selected CRES supplier and the City will agree upon the format of the Opt-Out Notice and will docket a sample with the PUCO at least ten days prior to mailing it to eligible Members.

The selected CRES supplier will be required to pay for printing and mailing of opt-out disclosure notices. The notices will be mailed to the owner or occupant residing at the electric account mailing address shown on Duke Energy's customer list. A City official will sign the notice and it will contain the City's name and logo on the outside to clearly indicate to the recipient that it is a notice from the City.

Prior to mailing Opt-Out Notices, a thorough review will be performed to see that all eligible Members receiving an offer are sent the notice. The review process will include the efforts of numerous parties and utilize a number of resources as specified in section four of this Plan.

Following acceptance of an offer by the City, the CRES supplier will mail Opt-Out Notices to eligible Members receiving an offer. Members will have 21 days from the postmark date on the notice to postmark the return opt-out card if they do not wish to participate in the

City's Program. If available, Members may also call the CRES supplier's toll-free recorded phone number to opt-out. The selected CRES supplier will not enroll those accounts opting out from the Program.

In the event that an eligible Member is inadvertently not sent an Opt-Out Notice and is omitted from the Program, the CRES supplier shall, upon request, enroll the eligible Member at the group rate for the remaining term.

All members of the Program will also be given an opportunity to opt-out without penalty at least once every three years.

**Procedure Steps:**

1. The selected CRES supplier and the City will agree upon the format of the Opt-Out Notice and will docket a sample with the PUCO at least ten days prior to mailing it to eligible Members;
2. The selected supplier will distribute an Opt-Out Form to all eligible Members via first class U.S. Mail;
3. Recipients will have 21 days from the postmark on the notice to notify the selected CRES supplier if they do not want to be part of the Program;
4. Members will be able to opt out by returning an opt-out card via U.S. Mail to the selected CRES supplier. The supplier may offer additional means of opting out, such as, making a toll-free recorded phone call to the CRES supplier, email notification or fax;
5. Additionally, Members who do not opt-out per step 4 above will receive written notification from Duke Energy stating that they are about to be switched. That notice will inform them that they have 7 days to rescind the contract by contacting Duke Energy; and
6. The selected CRES supplier will not enroll those accounts opting out from the Program.

The Opt-Out Notice will clearly notify the Program Members of the rates to be charged for electricity and other terms of the contract with the selected supplier. The notice will also satisfy the requirements for disclosing the environmental impact of the generation sources used to supply the Program.

## **6. Customer Classes Included**

All eligible Members are included in the Program but the selected CRES supplier's offer will determine which groups receive an offer and Opt-Out Notice. It is envisioned that residential and small commercial customers supplied by Duke Energy within the City limits are the most likely to receive an offer. The specific rate schedules will be identified in Section 2 of this Plan of Operation. In addition to having a rate schedule listed in Section 2, the following eligibility requirements apply.

- Customers must be up to date with their bill payment;
- Customers must not have Opted-out of the Program;
- Customers must not be on the Do Not Aggregate list;
- Customers must not be supplied generation service from another CRES provider;
- Customers must not be on a special contract with Duke Energy;
- Customers must not be in the Percentage of Income Payment Program (PIPP);
- Commercial Customers must have a Peak Demand of  $\leq 100$  kW; and
- Commercial Customers must not have interval metering;
- Customers must not be classified as mercantile; and
- Eligibility may be further limited by a supplier's offer. For example, a fixed rate might not be offered to an account if their Price-to-Compare indicates they would not save.

## **7. Billing Procedures**

The City will utilize the coordinated billing services of Duke Energy and the selected CRES supplier. Most customers are expected to receive a single bill from Duke Energy that itemizes among other things, the cost of generation provided by the CRES supplier. In some instances, particularly for commercial accounts, the CRES supplier may request that dual billing be used. In this case the supplier would issue a bill for their supply service and Duke Energy would issue a bill for their delivery services.

Members currently on budget billing will continue to be budget billed. Duke Energy's process will remain the same. Members wishing to start budget billing should contact Duke Energy. The process will take place in accordance with Duke Energy's policy and is not unique to the City's Program. Duke Energy's policies will dictate what portions of a Member's bill are budgeted and how the budget amount is calculated.

Members are required to remit and comply with the payment terms of Duke Energy and/or their supplier if dual billing is used. This Program will not be responsible for late or no payment on the part of any of its members. Furthermore, slow or no payment on the part of some Members will not adversely impact the rates charged to other Members. The selected Supplier shall not charge more than 1 ½ percent per month for overdue balances owed to the selected Supplier.

## **8. Credit/Deposit Requirements**

Collection and credit procedures remain the responsibility of Duke Energy, the selected Supplier and the individual Member. Members are required to remit and comply with the payment terms of Duke Energy. This Program will not be responsible for late or no payment on the part of any of its Members. The City will have no separate credit or deposit policy.

## **9. Procedures for Handling Customer Complaints and Dispute Resolution**

Members have multiple means of addressing complaints. As a general rule, concerns

regarding service reliability should be directed to Duke Energy, questions regarding the Program administration should go to the City, billing questions should be directed to Duke Energy or the selected supplier and any unresolved disputes should be directed to the Public Utilities Commission of Ohio and/or The Ohio Consumers’ Counsel. Listed below is a table of toll-free numbers for members to call for assistance.

<b>Nature of Complaint</b>	<b>Contact</b>	<b>Phone Number</b>
Service interruptions or emergencies	Duke Energy	1-800-543-5599
Service turn on/off	Duke Energy	1-800-544-6900
Billing disputes – Delivery charges	Duke Energy	1-800-544-6900
Billing disputes – Supplier charges	FirstEnergy Solutions	1-866-636-3749
Joining/Leaving Program	FirstEnergy Solutions	1-866-636-3749
Aggregation Program questions	City of Loveland Independent Energy Consultants	513-683-0150 888-862-6060
Unresolved disputes	Public Utilities Comm. (voice)	1-800-686-7826
Unresolved disputes	Public Utilities Comm. TDD/TTY	1-800-686-1570
General information – residential	Ohio Consumers’ Counsel	1-877-742-5622

## **10. Moving Into/Within the City**

Utility rules require that people moving into a different residence, new construction or otherwise, be assigned a new account number and be served for at least one month by the local utility before they can switch to a new supplier. The above-mentioned are examples of utility rules approved by the PUCO that will impact the operation of Loveland’s aggregation Program.

Residents and businesses that move into the City will not be automatically included in the City’s Program. The City cannot guarantee the rates, terms and conditions to Members enrolling after the 21-day opt-out period of the initial enrollees. Members wishing to opt-in to the Program may contact the City or the CRES supplier to obtain enrollment information. There is, however, no guarantee that customers opting-in at a later date will receive the same price, terms and conditions as did the initial participants. The selected CRES supplier’s decision whether or not to extend an offer will be based, in part, on the market prices at the time of request.

Members who move within the City limits and are assigned a new account number by Duke Energy will be treated in the same manner as a new resident. They will not be automatically enrolled, but may contact the CRES supplier concerning re-enrollment. Once again, there is no guarantee that the CRES Supplier will extend an offer, or an offer that is the same as that of the initial enrollees.

## **11. Moving Within the City and Maintaining the Same Account Number**

The selected CRES Supplier shall continue service at the same rate and under the same



terms and conditions for any Member who relocates within the City prior to the expiration of the contract term, providing that the Member notifies the CRES Supplier of their desire to do so with thirty (30) days written notice. Moving within the City may cause the Member to be served for a brief period of time by the local utility. The CRES supplier shall have the

right to bill the participant for any associated switching fee imposed by Duke Energy. Members may also opt-out without penalty under these circumstances.

## **12. Joining the Aggregation Group after Opting-Out**

Members who have left the aggregation group and wish to rejoin at a later date are treated in the same manner as new residents moving into Loveland. These customers may contact the City or the CRES supplier at any time to obtain enrollment information. There is however, no guarantee that customers opting-in at a later date will receive the same price, terms and conditions as did the initial participants.

## **13. Reliability of Power Supply**

The Program will only affect the generation source of power. Duke Energy will continue to deliver power through their transmission and distribution systems. Responsibility for maintaining system reliability continues to rest with Duke Energy. If Members have service reliability problems they should contact Duke Energy for repairs. The PUCO has established "Minimum Reliability Standards" for all utilities operating distribution systems in Ohio. Customer outages, duration of outages, interruptions, etc., are monitored to ensure reliability remains at satisfactory levels.

In addition to maintaining the "wires" system, Duke Energy is required to be the "Provider of Last Resort." This means, should the selected CRES supplier fail for any reason to deliver any or all of the electricity needed to serve the Members needs, Duke Energy will immediately provide for the shortfall. Duke Energy would then bill the supplier for the power provided on their behalf. The Members would incur no additional cost.

## **14. Supplier Qualification Selection Criteria**

Only Suppliers meeting strict criteria will be considered.

- Suppliers will need to be certified by the Public Utilities Commission of Ohio;
- Registered with Duke Energy to do business in their service territory. Both the certification and registration ensure that Suppliers possess the managerial, technical, and financial competence to perform the services they offer;
- Successfully completed Electronic Data Interchange (EDI) computer system testing with Duke Energy to support Governmental Aggregation Program transactions;
- Agree to hold harmless the City from any financial obligations arising from the Program;
- The selected CRES supplier will need to agree to notify the City and negotiate with the City at least 60 days in advance of attempting to terminate the agreement for any reasons other than (i) the scheduled end date or (ii) Force Majeure; and
- The selected CRES supplier shall demonstrate its creditworthiness by possessing

an investment grade long-term bond rating from at least two major rating agencies:

Should the CRES supplier be unable to demonstrate its creditworthiness, the supplier will be required to provide:

- a Letter of Credit; or
- a Parental Guaranty from a company that is deemed creditworthy; or
- a Surety Bond.

Details of the credit type and amount will be subject to negotiation.

## **15. Miscellaneous**

The City will maintain a copy of this Plan of Operation and Governance on file at its Administrative office. This Plan will be kept available for public inspection. It will, upon request, be copied for any existing or potential Members of the aggregation in accordance with the City rules for copying public documents.

The City will not alter its Operation and Governance Plan in any way that would materially affect the customers of the aggregation without first providing notice to all affected Members and providing these Members the opportunity to opt-out of the aggregation according to the procedures established for the initial opt-out disclosure notice set forth in rule 4901:1-21-17 of the Administrative Code. In the event of a material change, the City will provide a notice explaining the changes to the Plan, and informing the Members of their right to opt-out of the aggregation without penalty, and identifying the method and time frame for the customer to opt-out.

The City or the selected CRES supplier will not issue an Opt-Out Notice before the City has obtained its certification as a Governmental Aggregator of electricity from the Public Utilities Commission of Ohio.

The success of the City's Aggregation Program relies in part to the cooperation it receives from Duke Energy. In addition to other tasks, Duke Energy must turn over accurate customer data and perform the customer switching process in a timely manner. The City will comply with PUCO rules, and will hold Duke Energy to its obligations under the same.

The Electric Aggregation Program may be terminated upon the termination or expiration of the supply contract without any extension, renewal or subsequent supply contract being negotiated. Each individual Member receiving electric supply service under the Program will receive notification 45-90 days prior to termination of the Program. In the event of termination, Members in the City's aggregation Program would either return to Duke Energy supply service or choose a CRES supplier on their own.

If the City is unable to find a satisfactory offer at the end of an existing supply agreement, they have the option of maintaining their status as a Governmental Aggregator while they continue to seek offers for their Members.



May 1, 2013

Re: Great news – Loveland’s Aggregation Program supplied by FirstEnergy Solutions offers exclusive pricing!

Dear Resident,

Your community’s aggregation program provides you the opportunity to receive exclusive low pricing on your electric bill. This is possible through governmental aggregation, a community purchasing program 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.

FirstEnergy Solutions, a subsidiary of FirstEnergy Corp., has been selected to provide you with this exclusive pricing on your electric generation. **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.

By participating in this aggregation program, you will receive exclusive low pricing on your electric generation. The chart below shows the details of this program:

The City of Loveland program was approved by voters in your community in **November 2012**.

Your Electric Utility	Price	Term End Date	Opt Out Deadline	Early Termination Fee
Duke Energy Ohio	5.274¢ per kWh	June 2016	May 22, 2013	\$0

As a new member of the program, you will see your electric rate 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 community’s electric governmental aggregation program. If you do not want to participate in this program, you have until the opt out deadline to return the attached “opt-out” form. If you do not opt out at this time and leave the program at a later date, you might not be served under the same rates, terms and conditions that apply to other customers served by your utility. Once enrolled, you will receive a notice at least every three years asking if you wish to remain in the program.

If you are not currently receiving electric generation from FirstEnergy Solutions, your electric utility 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 become a member of the community’s electric governmental aggregation program, you don’t need to take any action when this letter arrives.

Your electric utility 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.

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 your community with aggregation program questions.

Sincerely,

A handwritten signature in blue ink, appearing to read "Tom Carroll".

Tom Carroll, Loveland City Manager

P.S. To receive this offer, **you should not respond**. Return the opt-out form only if you do not want to participate in your community’s electric governmental aggregation program.

OPT-OUT FORM – RESIDENTIAL ELECTRIC GOVERNMENTAL AGGREGATION PROGRAM

<b>Option 1: Do nothing and join.</b> If you want to participate in this program, 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> If you do not want to participate in this program you must return this form before the due date.
---	-----------	--

By returning this signed form, you will not be part of your community’s electric program.

☐ I wish to opt out of my community’s electric program. (Check box to opt out.)

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

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

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

Mail by May 22, 2013 to: Loveland Electric Governmental Aggregation Program, 341 White Pond Drive, Bldg. B-2, Akron, Ohio 44320

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

These Terms and Conditions together with the enrollment information (including the opt-out notification) 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. Please keep a copy of this Agreement for your records.

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

**DEFINITIONS:**

**Generation Service** – The production of electricity.

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

**Distribution Service** – Physical delivery of electricity to customers by EDU.

**RIGHT OF RESCISSION** – If you do not opt-out and are enrolled to receive generation service from FES, your EDU will send you a confirmation letter. You will have the right to rescind your enrollment within seven (7) calendar days following the postmark date of the confirmation letter by following the instructions contained in the letter. The Right of Rescission only applies when a customer switches to a generation supplier and not on renewal enrollments. Your EDU will not send a confirmation notice upon any renewal of this Agreement. Should you choose to opt-out of your community's program, you will be served by your EDU's standard service offer established pursuant to section 4928.141 of the Ohio Revised Code unless you choose an alternate supplier of electricity.

**TERMS AND CONDITIONS OF SERVICE**

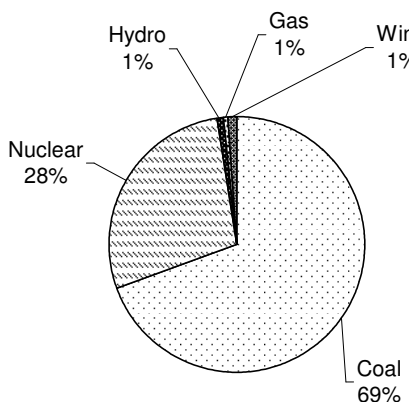
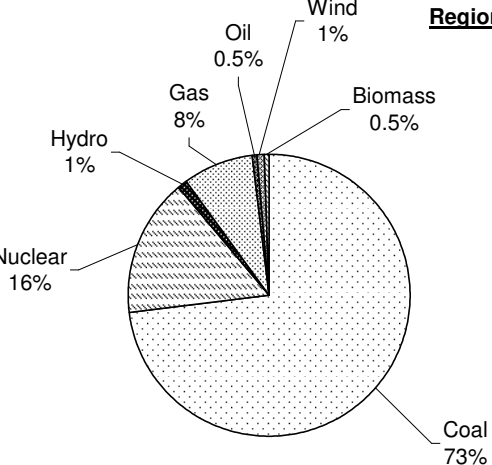
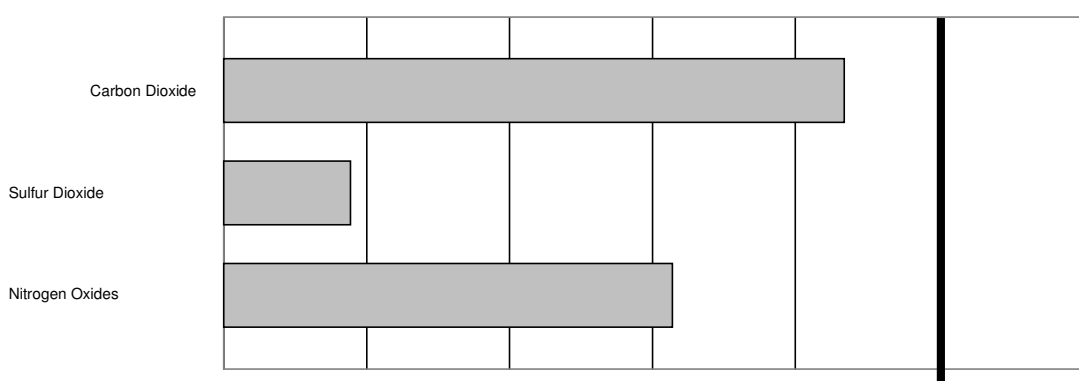
1. **Eligibility.** Only residential customer accounts not enrolled in the Percentage of Income Plan Program (PIPP) and small commercial customers with a peak demand below 100 KW are eligible for this offer from FES. FES reserves the right to refuse enrollment to any customer with an outstanding balance.
2. **Basic Service Prices.** During the term of this Agreement, you agree to pay FES for a total combined bypassable transmission, generation, and transmission and generation related charges. You will be billed at the fixed price per KWh per billing month, as specified in the opt-out notification. Your Price to Compare ("PTC") 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. 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. In accordance with the Master Agreement between FES and Loveland, 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. Further, your failure to pay EDU charges may result in your electric service being disconnected in accordance with the EDU tariff.

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 FES' service territory or into an area where FES charges a different price. There is no charge if you terminate this Agreement for any other reason, except as expressly provided herein. *Should you cancel service with FES and return to standard service offer with your EDU, you may not be served under the same rates, terms, and conditions that apply to other EDU customers.*
7. **Customer Consent and Information Release Authorization.** By choosing not to opt-out of your community's aggregation program, you understand and agree to the terms and conditions of this Agreement with FES. You authorize FES to obtain information from the EDU that includes, but is not limited to: billing history, payment history, historical and future electricity usage, meter readings, and characteristics of electricity service. FES reserves the sole right to determine if your credit standing is satisfactory before accepting your enrollment request. This Agreement shall be considered executed by FES following acceptance of your enrollment request by FES, the end of the 7 day rescission period and subsequent acceptance of the enrollment by your EDU.
8. **Contract Expiration.** At least every three years, you will be given the opportunity to opt-out of your community's aggregation program. You are responsible for arranging for your electric supply upon termination of this Agreement.
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). 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 2013 Calendar Year

<p><b>Generation Resource Mix-</b></p> <p>A comparison between the sources of generation used to produce this product and the historic regional average supply mix.</p>	<p align="center"><b><u>Supplier's Product</u></b></p> 	<p align="center"><b><u>Regional</u></b></p> 																				
<p>FirstEnergy Solutions (FES) will purchase 35,000 Solar Renewable Energy Credits (SREC) to meet year 2013 compliance obligations.</p>																						
<p><b>Environmental Characteristics-</b></p> <p>A description of the characteristics associated with each possible generation resource.</p>	<table border="1"> <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																					
<p><b>Air Emissions-</b></p> <p>A comparison between the air emissions related to this product and the regional average air emissions.</p>																						
<p><b>Radioactive Waste-</b></p> <p>Radioactive waste associated with the product.</p>	<p align="right"><b>Regional Average</b></p> <table border="1"> <thead> <tr> <th>Type :</th> <th>Projected Quantity:</th> <th></th> </tr> </thead> <tbody> <tr> <td>High-Level Radioactive Waste</td> <td>0.0026</td> <td>Lbs./1,000 kWh</td> </tr> <tr> <td>Low-Level Radioactive Waste</td> <td>0.0002</td> <td>Ft<sup>3</sup>/1,000 kWh</td> </tr> </tbody> </table> <p>Note: The generation of this product involves the use of 0.03% projected Unknown Purchased Resources. The air emissions and radioactive wastes associated with these unknown resources are not included in these charts.</p>		Type :	Projected Quantity:		High-Level Radioactive Waste	0.0026	Lbs./1,000 kWh	Low-Level Radioactive Waste	0.0002	Ft <sup>3</sup> /1,000 kWh											
Type :	Projected Quantity:																					
High-Level Radioactive Waste	0.0026	Lbs./1,000 kWh																				
Low-Level Radioactive Waste	0.0002	Ft <sup>3</sup> /1,000 kWh																				

Renewable Energy Credits: FirstEnergy Solutions purchases Renewable Energy and Solar Renewable Energy Credits (REC and SREC) as a means of complying with the renewable energy resource benchmark under the State's alternative energy portfolio standard requirements. The requirement for 2013 is 2.0% renewable, including 0.09% 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**

**2/10/2015 11:12:08 AM**

**in**

**Case No(s). 13-0581-EL-GAG**

Summary: Application for recertification as a governmental aggregator of electric.  
electronically filed by MARK R BURNS on behalf of City of Loveland