

July 17, 2017



IMPORTANT INFORMATION FROM The City of Sidney and AEP Energy regarding your electricity service at <S Address>

Dear <First> <Last>:

THE CITY OF SIDNEY SETS A SECURE ELECTRIC PRICE OF 5.441 CENTS PER KWH FOR YOUR ELECTRICITY SUPPLY CHARGES.

We are pleased to announce that the City of Sidney is providing its residents with an opportunity to save money on their electricity supply. On November 3, 2015, City of Sidney voters authorized by majority vote the creation of an Electric Aggregation Program to seek lower electricity rates for eligible residential and small business customers and the City approved a Plan of Operation and Governance as prescribed by Section 4928.20 of the Ohio Revised Code. Under this arrangement, AEP Energy has been selected as the City of Sidney's preferred electricity supply provider. This special offer is exclusive for eligible residents of the City because through the power of volume buying, AEP Energy is able to secure electricity at competitive prices. AEP Energy is an Ohio-based company and a subsidiary of American Electric Power (AEP).

Through the City Electric Aggregation Program, eligible residents, starting with the August 2017 billing cycle, depending on your meterread date, will receive the price of 5.441 cents per kWh for a period of twenty-one (21) months.¹

You will be automatically enrolled in the program unless you choose NOT to participate by "opting-out" by August 7, 2017. If you do NOT wish to participate in this program, you must follow the "opt-out" instructions. If you do not respond to this letter, the local utility will complete the enrollment process. As a part of the enrollment process, you will also receive a notice from your local utility, DP&L, confirming your decision to enroll with AEP Energy. Simply review the letter - if you are pleased with the City Electric Aggregation Plan, then you are all set.

The City Electric Aggregation Program is a Smart Choice:

- It's Easy to Participate. You don't have to do anything to enroll. All eligible residents will be automatically enrolled in the program unless you choose to "opt-out."
- Receive Protection with a Secure Price. The City of Sidney has ensured that, beginning with the August 2017 billing cycle, you will receive a price of 5.441 cents per kWh for a period of twenty-one (21) months, for your electricity supply service. There is no cost to enroll in this exclusive program.
- Continue to Receive One Bill. Your local utility will continue to send you one monthly electricity bill. You can continue to remit one payment to your local utility for AEP Energy charges. Also, your local utility will continue to provide service for any emergency or maintenance issues.
- Enroll in a Budget Billing Plan. Simply call the number below to sign-up for AEP Energy's Budget Billing Plan.

If you do not wish to participate in this program, you must "opt-out". There are two ways to opt-out; by calling the AEP Energy Customer Care Team toll free at 1-877-726-0214, Monday – Friday from 8:00 am to 7:00 pm EST and Saturday from 9:00 am to 1:00 pm EST or by completing the Electric Aggregation "Opt-Out" Election Form below. Your "Opt-Out" Election Form must be returned by August 7, 2017.

You will find additional details of this program in the Frequently Asked Questions and Terms & Conditions on the back of this letter.

Respectfully,

Mike Barhorst Mavor City of Sidney

Scott D. Slisher President, Residential Business AEP Energy

AEP Energy is a competitive retail electric service provider. While it is an affiliate of AEP Ohio, AEP Energy is not soliciting on behalf of and is not an agent for AEP Ohio. DP&L customers do not need to purchase any competitive retail electric service from AEP Energy to receive or to continue to receive non-competitive retail electric service from the utility.

| AEP ENERGY | The City of | f Sidney Electric Aggregation Opt-Out Election Form Please print clearly. |
|---|---|---|
| <pre><first> <last> <service address=""></service></last></first></pre> | Account Number: <account number=""></account> | I elect NOT to participate in the City Electric Aggregation Program with AEP Energy. Customer Code <customer code=""></customer> |
| <service city="">, <service state=""> <service zip=""></service></service></service> | | IMPORTANT NOTICE: By returning this signed form, I affirmatively elect NOT to |
| Account Holder's Name: (Print) | Phone: () | participate in the City Electric Aggregation Program. By electing not to participate, I understand from the accompanying materials that I will forego the benefits of this program. I understand that if I choose to "opt-out" of the City Electric Aggregation Program, I must complete this form and mail it to AEP Energy or call AEP Energy toll free at 1-877-726-0214, to "opt-out" no later than August 7, 2017. If this form is not postmarked or I do not call by the specified date, I understand that I will be automatically enrolled in the City Electric Aggregation Program. I assume all responsibility to send the "Opt-Out" Election Form or to call AEP Energy. |
| Account Holder's Signature: | Date: | |
| Email Address: | | Complete form and mail to: |
| This form must be postmarked as later than August 7 2017 for your "ant out" to be offective | | AEP Energy |

This form must be postmarked no later than August 7, 2017 for your "opt-out" to be effective.

Enclosed Terms & Conditions Version: 07.17.17OH_AGG_SC&ResCon | DPL17.07.17_SIDR-RF_AGGR_AQ

Form or to call AEP Energy.

Attn: City Electric Aggregation Program PO Box 3489 Chicago, IL 60654

What is the City Electric Aggregation Program?

Under the City Electric Aggregation Program, the City acted on behalf of its electricity consumers to select an electricity supply provider who, through the power of volume buying, is able to secure electricity at competitive prices. The Public Utilities Commission of Ohio ("PUCO") has taken steps to ensure that Ohio's competitive electricity environment is consumer-friendly. Voters in the City approved this aggregation program and the City Council passed an ordinance adopting this Electric Aggregation program.

The City has selected AEP Energy as their preferred electricity supply provider to serve their residents beginning with the August 2017 billing cycle for a period of twenty-one (21) months.

Who is AEP Energy?

AEP Energy is a certified Competitive Retail Electric Service (CRES) provider and a subsidiary of American Electric Power Company, Inc. (AEP). With an office located in Columbus, Ohio, AEP Energy sells electricity supply to customers at market-based prices rather than regulated rates offered by your local utility.

How do I enroll?

You don't have to do anything to enroll. All eligible customers will be automatically included in the program unless you choose to "opt-out." If you "opt-out," you will continue to be served by your local electric utility's standard service offer or until you choose an alternative electric service provider. However, if you do not respond to this letter, the utility will complete the enrollment process. As a part of the enrollment process, you will also receive a notice from your local utility, DP&L, confirming your decision to enroll with AEP Energy. Simply review the letter - if you are pleased with the City Electric Aggregation Plan, then you are all set. No deposits are required to enroll.

When will this program start?

The City Electric Aggregation Program will begin with the August 2017 billing cycle.

What is my price?

The City of Sidney has ensured that, beginning with the August 2017 billing cycle, depending on your meter-read date, you will receive an electricity generation price of 5.441 cents per kWh for a period of twenty-one (21) months.

How do I estimate my savings?

To estimate what your savings per kilowatt-hour (kWh) will be through this program, locate your "Price to Compare" on your electricity bill. This is the price you pay for electric generation service from the utility. Take your 'Price to Compare' and subtract the offer price. This equates to your savings per kWh. Multiply your savings per kWh by your monthly usage (kWh) to determine your savings amount per month. The utility distribution and transmission charges and other utility charges and fees are not included in the savings calculation and will continue to be assessed by the local utility. (Any estimate of savings is not a guarantee of savings.)

Where do I send payment?

You will continue to receive one bill each month from your local utility. The amount that you owe to AEP Energy will be stated separately on your bill and you will continue to send payments to your local utility only.

Is budget billing available?

A Budget Billing Plan is now available for AEP Energy's charges (Generation charges). The Budget Billing Plan levels your monthly payments to even out the seasonal highs and lows of your monthly bills. You'll have more certainty and can better manage your electricity expenses. Please visit www. AEPenergy.com for more information.

Can I cancel at any time?

Yes, you may cancel without penalty and switch to another provider or revert back to DP&L, the local utility. Should you cancel your service with AEP Energy and return to standard offer service with your local utility, you may not be served under the same rates, terms, and conditions that apply to other utility customers. You will also be provided the ability to opt out every three years without penalty.

What happens at the end of the program?

As the program draws to a close, the City can choose to seek bids from electricity providers in order to negotiate a new contract on behalf of eligible households. If at that time, the program has not produced the savings originally anticipated for customers, the City can also choose to end the program, at which time participants would be notified of their options for continuing in a different program with AEP Energy, switching to another provider, or reverting back to the local utility.

Why is this an "opt-out" program?

It enables AEP Energy to offer a lower group rate based on the City's size.

Why did the City select AEP Energy as its provider?

The City selected AEP Energy because they were able to propose a program that represented the best overall value for eligible households.

If I opt-out initially, can I choose to join the program at a later date?

If you opt-out initially, unfortunately, you may not be able to join the program until you receive the next opt-out notice. By initially opting-out prior to the start of the aggregation program will result in you receiving service under the local utility's standard offer rate until you chooses an alternative supplier.

What happens if my family moves to another home?

If you move to another home location within the City of Sidney, you will be able to continue participating in the program. If you leave the City of Sidney, you will no longer be eligible to participate.



Unless you affirmatively "opt-out" by August 7, 2017, you will be automatically enrolled if you: a) have an eligible residence located in the specified city receiving electric service from DP&L or AEP Energy (in the DP&L service territory) and b) are not enrolled in the PIPP program. Participation in the program is subject to the Terms & Conditions of the Agreement between the City and AEP Energy. ¹AEP Energy's price excludes utility distribution and transmission charges and other utility charges and fees. There is no guarantee of savings under the Aggregation Program. You may terminate your agreement early without penalty. For more information, call toll free 1-877-726-0214, write to: AEP Energy, PO Box 3489, Chicago, IL 60654, or visit AEPenergy.com.



If you have any additional questions, please contact the AEP Energy Customer Care Team toll free at **1-877-726-0214**, Monday – Friday from 8 am to 7 pm and Saturday from 9 am to 1 pm EST.

This foregoing document was electronically filed with the Public Utilities

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in

Case No(s). 15-2047-EL-GAG

Summary: Opt-Out Notice Residential Opt-Out Notice electronically filed by Mr. Ross Calliott on behalf of City of Sidney