

Andrew C. Emerson
aemerson@porterwright.com

Porter Wright
Morris & Arthur LLP
41 South High Street
Suites 2800-3200
Columbus, Ohio 43215-6194

Direct: 614-227-2104
Fax: 614-227-2100
Main: 614-227-2000

www.porterwright.com
porterwright

CINCINNATI
CLEVELAND
COLUMBUS
DAYTON
NAPLES
PITTSBURGH
WASHINGTON, DC

March 9, 2018

Ms. Barcy F. McNeal
Docketing Division
Public Utilities Commission of Ohio
180 East Broad Street
Columbus, Ohio 43215

RE: Case No. 17-1437-EL-GAG
City of Marion

Dear Ms. McNeal:

AEP Energy was selected by the City of Marion, Ohio to provide CRES service under its government aggregation program. Under Ohio Admin. Code rule 4901:1-21-17, a government aggregator must docket the final opt-out notice no more than thirty days but no less than ten days before sending the notice to customers.

Please find attached the final opt-out notices in the above-referenced case, which will be mailed to all eligible customers on Monday, March 19, 2018. Thus, the beginning of the twenty-one day opt-out period will be March 19th and the end of the period will be April 9th.

Please let me know if you have any questions.

Sincerely,



Andrew C. Emerson

ACE
Enclosures



March 19, 2018



<First> <Last>
<Mailing address>
<Mailing City>, <Mailing State> <Mailing Zip>

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

Dear <First> <Last>:

**THE CITY OF MARION SETS A NEW SECURE ELECTRIC PRICE OF
5.085 CENTS PER KWH FOR YOUR ELECTRICITY SUPPLY CHARGES.**

We are pleased to announce that the City of Marion is pleased to provide its residents and small businesses with an opportunity to save money on their electricity supply. **On November 7, 2000, City of Marion 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 Marion’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.

Through the new City Electric Aggregation Program, starting with the May 2018 meter-read date, eligible residents will receive a secure price of 5.085 cents per kWh for your electricity supply charges for a period of thirty-six (36) months.

You will be automatically enrolled in the program unless you choose NOT to participate by “opting-out” by April 9, 2018. 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, Ohio Edison, 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 Marion has been ensured that, beginning with the May 2018 meter-read date, you will receive a secure price of 5.085 cents per kWh for your electricity supply charges for a period of thirty-six (36) months. 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 completing the Electric Aggregation “Opt-Out” Election Form below. Your “Opt-Out” Election Form must be returned by April 9, 2018.

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

Respectfully,

City of Marion & AEP Energy



AEP Energy is a competitive retail electric service provider and an affiliate of Ohio Power Company (AEP Ohio). AEP Energy is not soliciting on behalf of and is not an agent of AEP Ohio.



The City of Marion Electric Aggregation Opt-Out Election Form
Please print clearly.

<First> <Last> Account Number: <Account Number>
<Service Address>
<Service City>, <Service State> <Service Zip>

Account Holder’s Name: (Print) _____ Phone: (____) _____
Account Holder’s Signature: _____ Date: _____

Email Address: _____
This form must be postmarked no later than April 9, 2018 for your “opt-out” to be effective.

☒ I elect not to participate in the City Electric Aggregation Program with AEP Energy.
Customer Code <Customer Code>

IMPORTANT NOTICE: By returning this signed form, I affirmatively elect NOT to 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 April 9, 2018. 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.

Complete form and mail to:
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 May 2018 meter-read date for a period of thirty-six (36) months.

Who is AEP Energy?

AEP Energy is a certified Competitive Retail Electric Service (CRES) provider and a subsidiary of American Electric Power (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, Ohio Edison, 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 May 2018 meter-read date for a period of thirty-six (36) months.

What is my price?

The City of Delphos has ensured that, beginning with the May 2018 meter-read date, you will receive a secure price of 5.085 cents per kWh for the generation portion of your electricity bill for a period of thirty-six (36) months.

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 Ohio Edison, the local utility. Should you cancel your service with AEP Energy and return to standard 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 community’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.

What happens if my family moves to another home?

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

Unless you affirmatively “opt-out” by April 9, 2018, you will be automatically enrolled if you: a) have an eligible residence located in the specified city receiving electric service from Ohio Edison or AEP Energy (and in the Ohio Edison 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. AEP Energy’s price excludes taxes, utility distribution and transmission charges and other utility charges and fees. There is no guarantee of any 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.

TERM	GENERATION SERVICE CHARGES	CANCELLATION FEE	CONTRACT RENEWAL
Up to the May 2021 meter read date ("Term").	Residential Customers: <u>5.085¢ per kWh.</u> Small Commercial Customers: <u>5.085¢ per kWh.</u> Price is for Generation Service. Price excludes taxes, utility Distribution Service charges, Transmission Services and other non-bypassable utility charges and fees.	You may cancel at any time during the Term without penalty. See Section 6 for details.	Your Agreement will terminate after the initial term. See Section 8 for details.

TERMS AND CONDITIONS. These Terms and Conditions (this "Agreement") are your agreement for Generation Service with AEP Energy, Inc. ("AEP Energy"). AEP Energy is certified by the Public Utilities Commission of Ohio ("PUCO") to offer and supply Generation Service in Ohio. As a Competitive Retail Electric Service ("CRES") provider, AEP Energy will supply the electric generation services to the interconnection (the "Delivery Point") of your Electric Distribution Utility ("EDU") based on your usage. All electricity will be supplied and delivered under the aggregation program, which is governed by the Government Aggregation Master Retail Supply Agreement between the relevant government aggregator and AEP Energy (the "Program Agreement"). Your EDU then distributes or delivers the electricity to you. Your Distribution Service will remain with your current EDU. Your EDU also will continue to read your meter, provide your monthly bill and respond to emergencies. The words "we" and "our" also refer to AEP Energy, and the words "you", "your", and "I" refer to the customer.

DEFINITIONS. "Competitive Retail Electric Service Provider" or "CRES" provider means, as defined by Chapter 4901:1-21 of the Substantive Rules applicable to electric service providers, an entity that sells electric energy to retail customers in Ohio. "Generation Service" means the production of electricity. "Generation-Related Charges" means those charges or costs associated with the production, procurement and supply of electricity. "Non-bypassable utility charges and fees" means those EDU charges and fees payable by you regardless of whether the EDU or a CRES provider provides Generation Service. "Transmission Service" means moving high voltage electricity from a generation facility to the distribution lines of an EDU, which is either bypassable or non-bypassable to you, as determined in accordance with your Distribution Service. "Distribution Service" means the physical delivery of electricity to customers by the EDU.

RIGHT OF RESCISSION. Once you have been enrolled to receive Generation Service from AEP Energy, your EDU will send you a confirmation letter. You have the right to rescind your enrollment without penalty within seven (7) calendar days following the postmark date of the confirmation letter by contacting your EDU and following the instructions contained in the letter.

OTHER IMPORTANT DISCLOSURES. In the event a third party was involved in this Agreement, including, without limitation, a broker or a shopping website, or you are part of a municipal aggregation, the pricing contained herein may be inclusive of a broker fee. **Price Comparison Qualification:** Please be advised that the EDU's standard offer rates generally change from time to time. AEP Energy therefore does not provide any guarantee of savings in comparison to the EDU's standard offer rates during the Term of this Agreement. If you received any price comparison(s) in connection with your enrollment, by accepting this offer from AEP Energy, you understand and agree that AEP Energy has informed you, prior to entering into this Agreement, that no guarantee of savings during the Term is being provided.

1. Eligibility. Customers must reside within the relevant jurisdictional territory applicable under the Program Agreement. Residential customer accounts that are on residential rates codes and are not enrolled in the Percentage of Income Plan Program (PIPP) and non-national account small commercial customers with annual usage less than 700,000 kWh are eligible for this offer from AEP Energy. AEP Energy reserves the right to refuse enrollment to any customer who is not current on their EDU charges.

2. Price. Starting with the first billing cycle of this Agreement through the last billing cycle of the "Term" (as listed above), you agree to pay AEP Energy the price stated above under the heading "Generation Service Charges" for all kilowatt-hours ("kWh") of all applicable combined Generation Service and Generation-Related Charges metered by the EDU. You are responsible for, and your price does not include, applicable state and local taxes and/or EDU charges, which will be billed by the EDU. In addition to AEP Energy's charges, you will be charged by your EDU for Distribution Service and other EDU charges and fees. An average residential customer, using 750 kWh of electricity on a monthly basis, would incur approximately \$40 to \$50 per month in such EDU charges and fees. In the event that any new, or any change in any existing, statute, rule, regulation, order, or other law, or procedure, tariff, rate class, or other process or charge, promulgated by any governmental authority or EDU, Independent System Operator, Regional Transmission Organization ("RTO"), such as PJM Interconnection, L.L.C. ("PJM"), or other regulated service provider, alters to the detriment of AEP

Energy its costs to perform or its economic returns under this Agreement (a "Change in Law or Regulation"), then AEP Energy will provide written notice requesting your affirmative consent and agreement, describing the Change in Law or Regulation, the resulting price revisions, and the future date upon which such revised pricing is requested to be effective (a "Price Revision Request"). You then will be able to affirmatively consent and agree to such Price Revision Request, and if you agree, you will pay the revised price described in such Price Revision Request, and all other terms and conditions of this Agreement not modified by such Price Revision Request will remain in full force and effect. If, however, you do not affirmatively consent and agree to the Price Revision Request within thirty (30) calendar days, this Agreement will automatically terminate without penalty, Cancellation Fee or further obligation (but you will remain responsible to pay AEP Energy for any electricity supply used before this Agreement is terminated, as well as any late fees). Such termination will be effective on the next available drop date as established by the EDU. Note that if, due to a change in market conditions, we wish to lower the price per kilowatt hour charged to you under this Agreement, we may do so without your consent, provided there are no other changes to the terms and conditions of this Agreement.

3. Term (Length of Agreement). Your service from AEP Energy will begin on the next available meter-reading, and this Agreement shall be considered executed by AEP Energy, following: (a) the end of the seven (7) day rescission period and (b) acceptance of your enrollment by your EDU, and will continue for the Term, unless otherwise terminated, ending on the meter read date for the last month of service.

4. Billing. You will continue to receive a single bill, typically on a monthly basis, from your EDU that will contain both your EDU and AEP Energy charges. AEP Energy offers budget billing for AEP Energy's charges to residential customers only. If you do not pay your bill by the due date, AEP Energy may terminate this Agreement after giving you a minimum of fourteen (14) calendar days' written notice. Upon termination you will be returned to your EDU as a customer. You will remain responsible to pay AEP Energy for any electricity used before this Agreement is terminated 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. Your EDU may charge you a switching fee. If you do not pay the full amount owed to AEP Energy by the due date of the bill, AEP Energy may charge a late payment fee up to one and one-half percent (1.5%) of the outstanding balance per month, or the maximum legally allowed interest rate, whichever is lower until such payment is received by AEP Energy. AEP Energy reserves the right to demand adequate assurances from you in the form of prepayment or other form of credit support in the event you fail to make payments in accordance with the terms herein. Customers requiring financial assurance will be required to post that assurance within three (3) business days of notice.

6. Cancellation/Termination Provisions/Failure to Pay. If this Agreement is not rescinded during the rescission period, your enrollment will be sent to your EDU. You may terminate this Agreement, without penalty, if you move outside AEP Energy's service area or into an area where AEP Energy charges a different price, by providing AEP Energy with a thirty (30) calendar day written notice prior to such move. Any failure to pay your bill shall be deemed a breach of this Agreement permitting AEP Energy to terminate this Agreement upon fourteen (14) calendar days' advance written notice. If specified in the table above under "Cancellation Fee", there may be a charge if you cancel this Agreement for any reason, except as expressly provided herein, or breach this Agreement in accordance with the preceding sentence. In addition to any applicable Cancellation Fee, you will remain

responsible to pay AEP Energy for any electricity supply used before this Agreement is cancelled or terminated for any reason, as well as any late fees. Should you cancel service with AEP Energy 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. Your Consent and Information Release Authorization. By accepting this offer from AEP Energy, you understand and agree to the terms and conditions of this Agreement with AEP Energy. You authorize AEP Energy to obtain information from the EDU that includes, but is not limited to: your billing history, payment history, historical and expected electricity usage, meter-readings, and characteristics of electricity service.

8. Contract Expiration. At the end of its Term, this Agreement will expire. As prescribed by the PUCO, at least every three (3) years (and to the extent required by applicable law, government rule, or regulation, at any applicable shorter rate of frequency), you will be given the opportunity to "opt-out" of your community program at no cost. You are responsible for arranging your electric supply upon the expiration of this Agreement.

9. Dispute Procedures. Contact AEP Energy with any questions concerning the terms of service, billing questions, disputes and complaints by phone at 1-866-258-3782 (toll-free) M-F 8AM – 7PM EST or in writing at AEP Energy, 1 Easton Oval, Suite 200, Columbus, OH 43219, Attn: Customer Care. Our web address is AEPenergy.com/help. If your complaint is not resolved after you have called AEP Energy and/or your EDU, 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 - 5:00 PM EST weekdays or at www.PUCO.ohio.gov. Hearing or speech impaired customers may contact the PUCO via 7-1-1 (Ohio relay service). Residential customers may also contact the Ohio Consumers' Counsel for assistance with complaints and utility issues at 1-877-742-5622 (toll free) from 8:00 AM - 5:00 PM EST weekdays, or www.pickocc.org.

10. Warranty and Force Majeure. AEP Energy warrants title to all electricity sold hereunder. THE WARRANTY SET FORTH IN THE PRECEDING SENTENCE IS EXCLUSIVE AND AEP ENERGY EXPRESSLY DISCLAIMS 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 PURPOSE OR USAGE OF TRADE. AEP Energy will make commercially reasonable efforts to provide your electric service, but does not guarantee a continuous supply of electricity. AEP Energy will not be responsible for any failure to commence or terminate Generation Service on the relevant date described herein. Certain causes and events are out of the reasonable control of AEP Energy and may result in interruptions in service. AEP Energy is not liable for damages caused by acts of God, changes in laws, rules or regulations or other acts of any governmental authority (including the PUCO or RTO), accidents, strikes, labor troubles, required maintenance work, inability to access the local distribution utility system, nonperformance by the EDU or any other cause beyond AEP Energy's reasonable control.

11. LIMITATION OF LIABILITY AND REMEDIES. UNLESS OTHERWISE EXPRESSLY PROVIDED HEREIN, ANY LIABILITY UNDER THIS AGREEMENT WILL BE LIMITED TO DIRECT, ACTUAL DAMAGES AS THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. NEITHER PARTY WILL BE LIABLE TO THE OTHER PARTY FOR CONSEQUENTIAL, INCIDENTAL, SPECIAL, PUNITIVE, TREBLE, EXEMPLARY OR INDIRECT DAMAGES, WHETHER IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISIONS OR OTHERWISE, IN CONNECTION WITH THIS AGREEMENT. THE LIMITATIONS IMPOSED ON REMEDIES AND

DAMAGE MEASUREMENT WILL BE WITHOUT REGARD TO CAUSE, INCLUDING NEGLIGENCE OF ANY PARTY, WHETHER SOLE, JOINT, CONCURRENT, ACTIVE OR PASSIVE.

12. Your Liability and Indemnification of AEP Energy. You assume full responsibility for retail electricity furnished to you at and after the Delivery Point and agree to and shall indemnify, defend, and hold harmless AEP Energy, its parent company and all of its affiliates, and all of their respective managers, members, officers, directors, shareholders, associates, employees, servants, and agents from and against all claims, losses, expenses, damages, demands, judgments, causes of action, and suits of any kind (hereinafter collectively referred to as "Claims"), including Claims for personal injury, death, or damages to property occurring at and after the Delivery Point, including upon your residential or business premises (as applicable), arising out of or related to the Generation Service and/or your performance under this Agreement.

13. Assignment. You shall not assign this Agreement or your rights hereunder without the prior written consent of AEP Energy. AEP Energy may, without your consent, assign this Agreement to another CRES provider, including any successor, in accordance with the rules and regulations of the PUCO.

14. Choice of Law; Severability. This Agreement shall be construed and enforced in accordance with the laws of the State of Ohio without giving effect to any conflicts of law principles which otherwise might be applicable. Any provision or section of this Agreement declared or rendered void, unlawful, or otherwise unenforceable shall not otherwise affect the lawful obligations that arise under this Agreement.

15. Miscellaneous. You have the right to request from AEP Energy, twice within a twelve (12)-month period, up to twenty-four (24) months of payment history, without charge. AEP Energy is prohibited from disclosing your social security number and/or account number(s) without your affirmative written consent except for AEP Energy's collections and reporting, participating in programs funded by the universal service fund pursuant to section 4928.54 of the Ohio Revised Code, or assigning your contract to another CRES provider. AEP Energy 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. AEP Energy reserves the right to re-price any account(s) or return you to the EDU if your rate code or meter type is changed and/or the account is no longer eligible for the aggregation program. Any notice, demand or other communication to be given hereunder, including, without limitation, any termination notice, shall be in writing and sent to the address or email address maintained on file for you. By providing AEP Energy your email address, you agree to receive notices electronically, where permitted under applicable law. This Agreement supersedes all prior written or oral agreements or understandings. AEP Energy's environmental disclosure statement is available for viewing on our website at AEPenergy.com. You agree that AEP Energy will make the required quarterly updates to the statement electronically on our website. We will also provide the information to you upon request.

16. Contact Information. AEP Energy, 1 Easton Oval, Suite 200, Columbus, OH 43219, Attn: Customer Care. For more information, call 1-866-258-3782 or visit AEPenergy.com/help.



March 19, 2018

<First> <Last>
<Mailing address>
<Mailing City>, <Mailing State> <Mailing Zip>



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

Dear <First> <Last>:

**THE CITY OF MARION SETS A NEW SECURE ELECTRIC PRICE OF
5.085 CENTS PER KWH FOR YOUR ELECTRICITY SUPPLY CHARGES.**

The City of Marion continues to provide its residents and small businesses with an opportunity to save money on their electricity supply. **On November 7, 2000, City of Marion 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 Marion’s preferred electricity supply provider. This special offer is exclusive for eligible businesses 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.

Through the new City Electric Aggregation Program, starting with the May 2018 meter-read date, eligible businesses will receive a secure price of 5.085 cents per kWh for your electricity supply charges for a period of thirty-six (36) months.

You will be automatically enrolled in the program unless you choose NOT to participate by “opting-out” by April 9, 2018. 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, AEP Ohio, 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 businesses will be automatically enrolled in the program unless you choose to “opt-out.”
- **Receive Protection with a Secure Price.** The City of Marion has been ensured that, beginning with the May 2018 meter-read date, you will receive a secure price of 5.085 cents per kWh for your electricity supply charges for a period of thirty-six (36) months. 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.

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 completing the Electric Aggregation “Opt-Out” Election Form below. Your “Opt-Out” Election Form must be returned by April 9, 2018.

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

Respectfully,

City of Marion & AEP Energy



AEP Energy is a competitive retail electric service provider and an affiliate of Ohio Power Company (AEP Ohio). AEP Energy is not soliciting on behalf of and is not an agent of AEP Ohio.



<First> <Last> Account Number: <Account Number>
<Service Address>
<Service City>, <Service State> <Service Zip>

Account Holder’s Name: (Print) _____ Phone: (_____) _____
Account Holder’s Signature: _____ Date: _____

Email Address: _____
This form must be postmarked no later than April 9, 2018 for your “opt-out” to be effective.

The City of Marion Electric Aggregation Opt-Out Election Form
Please print clearly.

☒ I elect not to participate in the City Electric Aggregation Program with AEP Energy.
Customer Code <Customer Code>

IMPORTANT NOTICE: By returning this signed form, I affirmatively elect NOT to 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 April 9, 2018. 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 to send the “Opt-Out” Election Form or to call AEP Energy.

Complete form and mail to:
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 businesses, beginning with the May 2018 meter-read date for a period of thirty-six (36) months.

Who is AEP Energy?

AEP Energy is a certified Competitive Retail Electric Service (CRES) provider and a subsidiary of American Electric Power (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, Ohio Edison, 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 May 2018 billing cycle for a period of thirty-six months (36) months.

What is my price?

The City of Marion has ensured that, beginning with the May 2018 meter-read date, you will receive a secure price of 5.085 cents per kWh for the generation portion of your electricity bill for a period of thirty-six (36) months.

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.

Can I cancel at any time?

Yes, you may cancel without penalty and switch to another provider or revert back to AEP Ohio, the local utility. Should you cancel your service with AEP Energy and return to standard 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 businesses. 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 community’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 businesses.

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.

What happens if I move my business location?

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

What is considered a small commercial business?

A small commercial business has less than 700,000 kWh annual usage and must be a non-mercantile customer as defined by Ohio Administrative Code.

Unless you affirmatively “opt-out” by April 9, 2018, you will be automatically enrolled if you: a) have an eligible business located in the specified city receiving electric service from Ohio Edison or AEP Energy (and in the Ohio Edison 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. AEP Energy’s price excludes taxes, utility distribution and transmission charges and other utility charges and fees. There is no guarantee of any 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.

TERM	GENERATION SERVICE CHARGES	CANCELLATION FEE	CONTRACT RENEWAL
Up to the May 2021 meter read date ("Term").	Residential Customers: <u>5.085¢ per kWh</u> . Small Commercial Customers: <u>5.085¢ per kWh</u> . Price is for Generation Service. Price excludes taxes, utility Distribution Service charges, Transmission Services and other non-bypassable utility charges and fees.	You may cancel at any time during the Term without penalty. See Section 6 for details.	Your Agreement will terminate after the initial term. See Section 8 for details.

TERMS AND CONDITIONS. These Terms and Conditions (this "Agreement") are your agreement for Generation Service with AEP Energy, Inc. ("AEP Energy"). AEP Energy is certified by the Public Utilities Commission of Ohio ("PUCO") to offer and supply Generation Service in Ohio. As a Competitive Retail Electric Service ("CRES") provider, AEP Energy will supply the electric generation services to the interconnection (the "Delivery Point") of your Electric Distribution Utility ("EDU") based on your usage. All electricity will be supplied and delivered under the aggregation program, which is governed by the Government Aggregation Master Retail Supply Agreement between the relevant government aggregator and AEP Energy (the "Program Agreement"). Your EDU then distributes or delivers the electricity to you. Your Distribution Service will remain with your current EDU. Your EDU also will continue to read your meter, provide your monthly bill and respond to emergencies. The words "we" and "our" also refer to AEP Energy, and the words "you", "your", and "I" refer to the customer.

DEFINITIONS. "Competitive Retail Electric Service Provider" or "CRES" provider means, as defined by Chapter 4901:1-21 of the Substantive Rules applicable to electric service providers, an entity that sells electric energy to retail customers in Ohio. "Generation Service" means the production of electricity. "Generation-Related Charges" means those charges or costs associated with the production, procurement and supply of electricity. "Non-bypassable utility charges and fees" means those EDU charges and fees payable by you regardless of whether the EDU or a CRES provider provides Generation Service. "Transmission Service" means moving high voltage electricity from a generation facility to the distribution lines of an EDU, which is either bypassable or non-bypassable to you, as determined in accordance with your Distribution Service. "Distribution Service" means the physical delivery of electricity to customers by the EDU.

RIGHT OF RESCISSION. Once you have been enrolled to receive Generation Service from AEP Energy, your EDU will send you a confirmation letter. You have the right to rescind your enrollment without penalty within seven (7) calendar days following the postmark date of the confirmation letter by contacting your EDU and following the instructions contained in the letter.

OTHER IMPORTANT DISCLOSURES. In the event a third party was involved in this Agreement, including, without limitation, a broker or a shopping website, or you are part of a municipal aggregation, the pricing contained herein may be inclusive of a broker fee. **Price Comparison Qualification:** Please be advised that the EDU's standard offer rates generally change from time to time. AEP Energy therefore does not provide any guarantee of savings in comparison to the EDU's standard offer rates during the Term of this Agreement. If you received any price comparison(s) in connection with your enrollment, by accepting this offer from AEP Energy, you understand and agree that AEP Energy has informed you, prior to entering into this Agreement, that no guarantee of savings during the Term is being provided.

1. Eligibility. Customers must reside within the relevant jurisdictional territory applicable under the Program Agreement. Residential customer accounts that are on residential rates codes and are not enrolled in the Percentage of Income Plan Program (PIPP) and non-national account small commercial customers with annual usage less than 700,000 kWh are eligible for this offer from AEP Energy. AEP Energy reserves the right to refuse enrollment to any customer who is not current on their EDU charges.

2. Price. Starting with the first billing cycle of this Agreement through the last billing cycle of the "Term" (as listed above), you agree to pay AEP Energy the price stated above under the heading "Generation Service Charges" for all kilowatt-hours ("kWh") of all applicable combined Generation Service and Generation-Related Charges metered by the EDU. You are responsible for, and your price does not include, applicable state and local taxes and/or EDU charges, which will be billed by the EDU. In addition to AEP Energy's charges, you will be charged by your EDU for Distribution Service and other EDU charges and fees. An average residential customer, using 750 kWh of electricity on a monthly basis, would incur approximately \$40 to \$50 per month in such EDU charges and fees. In the event that any new, or any change in any existing, statute, rule, regulation, order, or other law, or procedure, tariff, rate class, or other process or charge, promulgated by any governmental authority or EDU, Independent System Operator, Regional Transmission Organization ("RTO"), such as PJM Interconnection, L.L.C. ("PJM"), or other regulated service provider, alters to the detriment of AEP

Energy its costs to perform or its economic returns under this Agreement (a "Change in Law or Regulation"), then AEP Energy will provide written notice requesting your affirmative consent and agreement, describing the Change in Law or Regulation, the resulting price revisions, and the future date upon which such revised pricing is requested to be effective (a "Price Revision Request"). You then will be able to affirmatively consent and agree to such Price Revision Request, and if you agree, you will pay the revised price described in such Price Revision Request, and all other terms and conditions of this Agreement not modified by such Price Revision Request will remain in full force and effect. If, however, you do not affirmatively consent and agree to the Price Revision Request within thirty (30) calendar days, this Agreement will automatically terminate without penalty, Cancellation Fee or further obligation (but you will remain responsible to pay AEP Energy for any electricity supply used before this Agreement is terminated, as well as any late fees). Such termination will be effective on the next available drop date as established by the EDU. Note that if, due to a change in market conditions, we wish to lower the price per kilowatt hour charged to you under this Agreement, we may do so without your consent, provided there are no other changes to the terms and conditions of this Agreement.

3. Term (Length of Agreement). Your service from AEP Energy will begin on the next available meter-reading, and this Agreement shall be considered executed by AEP Energy, following: (a) the end of the seven (7) day rescission period and (b) acceptance of your enrollment by your EDU, and will continue for the Term, unless otherwise terminated, ending on the meter read date for the last month of service.

4. Billing. You will continue to receive a single bill, typically on a monthly basis, from your EDU that will contain both your EDU and AEP Energy charges. AEP Energy offers budget billing for AEP Energy's charges to residential customers only. If you do not pay your bill by the due date, AEP Energy may terminate this Agreement after giving you a minimum of fourteen (14) calendar days' written notice. Upon termination you will be returned to your EDU as a customer. You will remain responsible to pay AEP Energy for any electricity used before this Agreement is terminated 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. Your EDU may charge you a switching fee. If you do not pay the full amount owed to AEP Energy by the due date of the bill, AEP Energy may charge a late payment fee up to one and one-half percent (1.5%) of the outstanding balance per month, or the maximum legally allowed interest rate, whichever is lower until such payment is received by AEP Energy. AEP Energy reserves the right to demand adequate assurances from you in the form of prepayment or other form of credit support in the event you fail to make payments in accordance with the terms herein. Customers requiring financial assurance will be required to post that assurance within three (3) business days of notice.

6. Cancellation/Termination Provisions/Failure to Pay. If this Agreement is not rescinded during the rescission period, your enrollment will be sent to your EDU. You may terminate this Agreement, without penalty, if you move outside AEP Energy's service area or into an area where AEP Energy charges a different price, by providing AEP Energy with a thirty (30) calendar day written notice prior to such move. Any failure to pay your bill shall be deemed a breach of this Agreement permitting AEP Energy to terminate this Agreement upon fourteen (14) calendar days' advance written notice. If specified in the table above under "Cancellation Fee", there may be a charge if you cancel this Agreement for any reason, except as expressly provided herein, or breach this Agreement in accordance with the preceding sentence. In addition to any applicable Cancellation Fee, you will remain

responsible to pay AEP Energy for any electricity supply used before this Agreement is cancelled or terminated for any reason, as well as any late fees. Should you cancel service with AEP Energy 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. Your Consent and Information Release Authorization. By accepting this offer from AEP Energy, you understand and agree to the terms and conditions of this Agreement with AEP Energy. You authorize AEP Energy to obtain information from the EDU that includes, but is not limited to: your billing history, payment history, historical and expected electricity usage, meter-readings, and characteristics of electricity service.

8. Contract Expiration. At the end of its Term, this Agreement will expire. As prescribed by the PUCO, at least every three (3) years (and to the extent required by applicable law, government rule, or regulation, at any applicable shorter rate of frequency), you will be given the opportunity to "opt-out" of your community program at no cost. You are responsible for arranging your electric supply upon the expiration of this Agreement.

9. Dispute Procedures. Contact AEP Energy with any questions concerning the terms of service, billing questions, disputes and complaints by phone at 1-866-258-3782 (toll-free) M-F 8AM – 7PM EST or in writing at AEP Energy, 1 Easton Oval, Suite 200, Columbus, OH 43219, Attn: Customer Care. Our web address is AEPenergy.com/help. If your complaint is not resolved after you have called AEP Energy and/or your EDU, 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 - 5:00 PM EST weekdays or at www.PUCO.ohio.gov. Hearing or speech impaired customers may contact the PUCO via 7-1-1 (Ohio relay service). Residential customers may also contact the Ohio Consumers' Counsel for assistance with complaints and utility issues at 1-877-742-5622 (toll free) from 8:00 AM - 5:00 PM EST weekdays, or www.pickocc.org.

10. Warranty and Force Majeure. AEP Energy warrants title to all electricity sold hereunder. THE WARRANTY SET FORTH IN THE PRECEDING SENTENCE IS EXCLUSIVE AND AEP ENERGY EXPRESSLY DISCLAIMS 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 PURPOSE OR USAGE OF TRADE. AEP Energy will make commercially reasonable efforts to provide your electric service, but does not guarantee a continuous supply of electricity. AEP Energy will not be responsible for any failure to commence or terminate Generation Service on the relevant date described herein. Certain causes and events are out of the reasonable control of AEP Energy and may result in interruptions in service. AEP Energy is not liable for damages caused by acts of God, changes in laws, rules or regulations or other acts of any governmental authority (including the PUCO or RTO), accidents, strikes, labor troubles, required maintenance work, inability to access the local distribution utility system, nonperformance by the EDU or any other cause beyond AEP Energy's reasonable control.

11. LIMITATION OF LIABILITY AND REMEDIES. UNLESS OTHERWISE EXPRESSLY PROVIDED HEREIN, ANY LIABILITY UNDER THIS AGREEMENT WILL BE LIMITED TO DIRECT, ACTUAL DAMAGES AS THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. NEITHER PARTY WILL BE LIABLE TO THE OTHER PARTY FOR CONSEQUENTIAL, INCIDENTAL, SPECIAL, PUNITIVE, TREBLE, EXEMPLARY OR INDIRECT DAMAGES, WHETHER IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISIONS OR OTHERWISE, IN CONNECTION WITH THIS AGREEMENT. THE LIMITATIONS IMPOSED ON REMEDIES AND

DAMAGE MEASUREMENT WILL BE WITHOUT REGARD TO CAUSE, INCLUDING NEGLIGENCE OF ANY PARTY, WHETHER SOLE, JOINT, CONCURRENT, ACTIVE OR PASSIVE.

12. Your Liability and Indemnification of AEP Energy. You assume full responsibility for retail electricity furnished to you at and after the Delivery Point and agree to and shall indemnify, defend, and hold harmless AEP Energy, its parent company and all of its affiliates, and all of their respective managers, members, officers, directors, shareholders, associates, employees, servants, and agents from and against all claims, losses, expenses, damages, demands, judgments, causes of action, and suits of any kind (hereinafter collectively referred to as "Claims"), including Claims for personal injury, death, or damages to property occurring at and after the Delivery Point, including upon your residential or business premises (as applicable), arising out of or related to the Generation Service and/or your performance under this Agreement.

13. Assignment. You shall not assign this Agreement or your rights hereunder without the prior written consent of AEP Energy. AEP Energy may, without your consent, assign this Agreement to another CRES provider, including any successor, in accordance with the rules and regulations of the PUCO.

14. Choice of Law; Severability. This Agreement shall be construed and enforced in accordance with the laws of the State of Ohio without giving effect to any conflicts of law principles which otherwise might be applicable. Any provision or section of this Agreement declared or rendered void, unlawful, or otherwise unenforceable shall not otherwise affect the lawful obligations that arise under this Agreement.

15. Miscellaneous. You have the right to request from AEP Energy, twice within a twelve (12)-month period, up to twenty-four (24) months of payment history, without charge. AEP Energy is prohibited from disclosing your social security number and/or account number(s) without your affirmative written consent except for AEP Energy's collections and reporting, participating in programs funded by the universal service fund pursuant to section 4928.54 of the Ohio Revised Code, or assigning your contract to another CRES provider. AEP Energy 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. AEP Energy reserves the right to re-price any account(s) or return you to the EDU if your rate code or meter type is changed and/or the account is no longer eligible for the aggregation program. Any notice, demand or other communication to be given hereunder, including, without limitation, any termination notice, shall be in writing and sent to the address or email address maintained on file for you. By providing AEP Energy your email address, you agree to receive notices electronically, where permitted under applicable law. This Agreement supersedes all prior written or oral agreements or understandings. AEP Energy's environmental disclosure statement is available for viewing on our website at AEPenergy.com. You agree that AEP Energy will make the required quarterly updates to the statement electronically on our website. We will also provide the information to you upon request.

16. Contact Information. AEP Energy, 1 Easton Oval, Suite 200, Columbus, OH 43219, Attn: Customer Care. For more information, call 1-866-258-3782 or visit AEPenergy.com/help.

This foregoing document was electronically filed with the Public Utilities

Commission of Ohio Docketing Information System on

3/9/2018 2:21:30 PM

in

Case No(s). 17-1437-EL-GAG

Summary: Opt-Out Notice for the City of Marion electronically filed by Mr. Ronald J Romito on behalf of AEP Energy, Inc. and Emerson, Andrew C. Mr.