

Competitive Retail Electric Service (CRES)
Governmental Aggregator Application

Case Number: 14 - 1943 -EL-GAG

Please complete all information. Identify all attachments with a label and title (example: Exhibit B-2 Operation and governance plan). For paper filing, you can mail the original and three complete copies to the Public Utilities Commission of Ohio, Docketing Division, 180 East Broad Street, Columbus, Ohio 43215-3793.

#### A. Application Information

17.07	legal name and contact information of the		
Legal Name:	City of Salem, OH		
Street Address:	231 S Broadway		
City:	Salem	State: OH	Zip: 44460
Telephone:	330-332-4241	Website: n/a	,
A-2. Contact per	son for regulatory matters.		
Name:	Kevin Crewson		
Street Address:	168 E Market St		
City:	Akron	State: Oh	Zip: 44308
Telephone:	330-603-2018	Email: kcrewson@ene	rgyharbor.com
A-3. Contact person for PUCO Staff use in investigating consumer complaints.  Name: Amanda Withem			
Name:	168 E Market St		
Street Address: City:	Akron	<sub>State:</sub> Oh	Zip: 44308
Telephone:	330-315-7322	Email: awithem@energ	
A-4. Applicant's address and toll-free number for customer service and complaints.			
Street Address:	168 E Market St		
City:	Akron	State: Oh	Zip: 44308
Toll-free	866-636-3749	<sub>Email</sub> . n/a	

#### B. Managerial Capability

Provide a response or attachment for each of the sections below.

#### **B-1.** Authorizing Ordinance.

Provide a copy of the adopted ordinance or resolution authorizing the formation of a governmental aggregation program pursuant to Sections <u>4928.20(A)</u>, <u>4929.26</u>, and/or <u>4929.27</u> of the Ohio Revised Code.

#### B-2. Operation and governance plan.

Provide a copy of the applicant's plan for operation and governance of its aggregation program adopted pursuant to Section <u>4928.20(C)</u>, <u>4929.26(C)</u>, and/or <u>4929.27(B)</u> of the Ohio Revised Code and in accordance with <u>4901:1-21-16</u> and/or <u>4901:1-28-03</u> of the Ohio Administrative Code.

#### B-3. Opt-out disclosure notice.

Provide a draft copy of the opt-out notice that provides or offers automatic aggregation services in accordance with Sections 4928.20(D) or 4929.26(D) of the Ohio Revised Code and in accordance with 4901:1-21-17 and/or 4901:1-28-04 of the Ohio Administrative Code. The applicant must file the finalized opt-out notice in the certification case docket no more than 30 days and not less than ten days prior to public dissemination.

#### B-4. Experience and plans.

Describe in detail the applicant's experience and plan for providing aggregation services, including contracting with consultants, broker/aggregators, retail natural gas suppliers and/or retail generation providers, providing billing statements, responding to customer inquiries and complaints, and complying with all applicable provisions of Commission rules adopted pursuant to Section 4929.22 and/or 4928.20 of the Ohio Revised Code.

As authorized representative for the above company/organization, I certify that all the information contained in this application is true, accurate and complete. I also understand that failure to report completely and accurately may result in penalties or other legal actions.

Title

#### Competitive Retail Electric Service Affidavit

County	01	<b>:</b>
State of	, Ohio	:
Joe	Cappuzzello,	Affiant, being duly sworn/affirmed, hereby states that:

Columbiana

- 1. The information provided within the certification or certification renewal application and supporting information is complete, true, and accurate to the best knowledge of affiant, and that it will amend its application while it is pending if any substantial changes occur regarding the information provided.
- The applicant will timely file an annual report of its intrastate gross receipts, gross earnings, and sales of kilowatt-hours of electricity pursuant to Sections 4905.10(A), 4911.18(A), and 4928.06(F), Ohio Revised Code.
- 3. The applicant will timely pay any assessment made pursuant to Sections 4905.10, 4911.18, and 4928.06(F), Ohio Revised Code.
- 4. The applicant will comply with all applicable rules and orders adopted by the Public Utilities Commission of Ohio pursuant to <u>Title 49</u>, Ohio Revised Code.
- 5. The applicant 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 will fully comply with Section <u>4928.09</u>, Ohio Revised Code regarding consent to the jurisdiction of Ohio Courts and the service of process.
- 7. The applicant will comply with all state and/or federal rules and regulations concerning consumer protection, the environment, and advertising/promotions.
- 8. The applicant 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 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, 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.
- 11. The Applicant will inform the Public Utilities Commission of Ohio of any material change to the information supplied in the application within 30 days of such material change, including any change in contact person for regulatory purposes or contact person for Staffuse in investigating consumer complaints.

- 12. The facts set forth above are true and accurate 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.
- 13. Affiant further sayeth naught.

man annun	flo		
Signature of Affiant & Title 25	Director of	Public Service	*Safety

Sworn and subscribed before me this 12TH day of October, Zazz Month Year

Signature of official administering oath
RENE L HILTON

RENE L HILTON Notary Public State of Ohio My Comm. Expires October 31, 2026 Rene L. Hilton - Notary Print Name and Title

My commission expires on October 31, 2026



# Application Attachments

#### CITY OF SALEM, OHIO

ORDINANCE NO. 100119- <u>02</u>

INTRODUCED BY: MR. GROVES

First Reading

\_1

Second Reading

Third Reading

BEING AN ORDINANCE AUTHORIZING ALL ACTIONS NECESSARY TO EFFECT A GOVERNMENTAL ELECTRICITY AGGREGATION PROGRAM WITH OPT-OUT PROVISIONS PURSUANT TO SECTION 4928.20 OHIO REVISED CODE, DIRECTING THE COLUMBIANA COUNTY BOARD OF ELECTIONS TO SUBMIT A BALLOT QUESTION TO THE ELECTORS; AND DECLARING AND EMERGENCY.

WHEREAS, the Ohio Legislature has enacted electric deregulation legislation ("Am. Sub. S.B. No. 3") which authorizes the legislative authorities of municipal corporations, townships and counties to aggregate the retail electrical loads located within the respective jurisdictions and to enter into service agreements to facilitate for those loads the purchase and sale of electricity ("Governmental Aggregation"); and

WHEREAS, such legislative authorities may exercise such authority jointly with any other legislative authorities; and

WHEREAS, Governmental Aggregation provides an opportunity for residential and small business consumers to participate collectively in the potential benefits of electricity deregulation through lower electricity rates which would not otherwise be available to those electricity customers individually; and

WHEREAS, this Council, seeks to establish a Governmental Aggregation program with opt-out provisions pursuant to Section 4928.20, Ohio Revised Code (the "Aggregation Program") for the residents, businesses and other electric consumers in the City.

NOW THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF SALEM, STATE OF OHIO:

#### SECTION 1:

That this Council finds and determines that it is in the best interest of the City, its residents, businesses and other electric consumers located within the corporate limits of the City to establish this Aggregation Program in the City of Salem. Provided that the Aggregation Program is approved by the electors of the City pursuant to Section 2 of this Ordinance, the City of Salem is hereby authorized to automatically aggregate, in accordance with Section 4928.20, Ohio Revised Code, the retail electric loads located within the City, and, for that purpose, to enter into service agreements to facilitate for those loads the purchase and sale of electricity. The City of Salem may exercise such authority jointly with any other municipal corporation, township or county or other political subdivision of the State of Ohio to the full extent permitted by law. The aggregation will occur automatically for each person owning, occupying, controlling or using an electric load center proposed to be aggregated and will provide for the opt-out rights described in Section 3 of this Ordinance.

ORDINANCE NO. 100119-PAGE NO. 2

#### SECTION 2:

The Board of Elections of Columbiana County is hereby directed to submit the following question to the electors of the City of Salem at the primary election on May 4, 2010:

Shall the City of Salem have the authority to aggregate the retail electric load located in the City, and for that purpose, enter into services agreements to facilitate for those loads the sale and purchase of electricity, such aggregation to occur automatically except where any person elects to opt out?

The Clerk of this Council is instructed to immediately file a certified copy of this resolution and the proposed form of the ballot question with the County Board of Elections not less than seventy-five days prior to the primary election. The Aggregation Program shall not take effect unless approved by a majority of the electors voting upon this Ordinance and the Aggregation Program provided for herein at the election held pursuant to this Section 2 and Section 4928.20, Ohio Revised Code.

#### SECTION 3:

Upon approval of a majority of the electors voting at the primary election provided for in Section 2 of this Ordinance, this Council, individually or jointly with any other political subdivision, may develop a plan of operation and governance for the Aggregation Program. Before adopting such plan, this Council shall hold at least two public hearings on the plan. Before the first hearing, notice of the hearings shall be published once a week for two consecutive weeks in a newspaper of general circulation in the City. The notice shall summarize the plan and state the date, time and place of each hearing. No plan adopted by this Council shall aggregate the electric load of any electric load center within the City unless it, in advance, clearly discloses to the person owning, occupying, controlling, or using the load center that the person will be enrolled automatically in the Aggregation Program and will remain so enrolled unless the person affirmatively elects by a stated procedure not to be so enrolled. The disclosure shall state prominently the rates, charges, and other terms and conditions, of enrollment. The stated procedure shall allow any person enrolled in the Aggregation Program the opportunity to opt- out of the program at least every three years, without paying a switching fee. Any such person that opts out of the Aggregation Program pursuant to the state procedure shall default to the standard service offer provided under division (a) of Section 4928.35, Ohio Revised Code until the person chooses an alternative supplier.

#### SECTION 4:

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

ORDINANCE NO.	1001	19-	
PAGE NO: 3			***************************************

#### SECTION 5:

This Ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, health and safety of the Village and the inhabitants thereof, and for further reasons that this ordinance is required to be immediately effective in order to file a certified copy of this ordinance and the proposed form of the ballot question with the Columbiana County Board of Elections not later than seventy-five (75) days prior to the primary election, as provided herein; wherefore, provided it receives the affirmative vote of at least five members elected and appointed to Council, it shall take effect and be in force immediately upon its passage and approval by the Mayor, otherwise it shall take effect and be in force at the earliest period allowed by law.

PASSED:

APPROVEDAS TOFORM:

I do hereby certify that this ordinance is an exact copy of the original ordinance.

Clerk of Council





#### **City of Salem Electric Aggregation Program**

<<insert customer name>> <<insert customer address>>

<<pre><<post mark date>>

Dear Salem Residents and Businesses,

We are writing to tell you about the City of Salem's next Electric Aggregation Program. In May 2010, Salem voters authorized the City of Salem Council to form a governmental aggregation program to negotiate a favorable price and terms for electricity supply for City residences and businesses. Salem Council have selected Dynegy, a competitive retail electric service provider, as the supplier for a 36-month program that offers a fixed rate for the term of December 2018 through December 2021 meter read cycles.

#### Here's What to Expect:

- You receive a Fixed Electricity Price of 4.98 ¢/kWh through your December 2021 meter reading.
- You receive one energy bill including the Dynegy charge from Ohio Edison, your local utility.
- After your enrollment is finalized, Ohio Edison will send you a confirmation letter.
- You can leave the aggregation program without penalty, anytime.

#### You're Automatically Enrolled

There is no cost to enroll. Enrollment is automatic for those who are eligible, but participation is voluntary. You may opt-out of this program without penalty by **November 8, 2018** or leave the program at any time for any reason by providing notice to Dynegy. Please see the enclosed terms and conditions for full details of the program.

#### **How to Opt-Out**

If you do not wish to participate, please complete and return the reply card below or call Dynegy, the electric supplier, at 888-682-2170 by **November 8, 2018.** If you choose to opt out, you will be served by Ohio Edison under its standard service offer or until you choose an alternative electric supplier. If you switch back to your local utility, you may not be served under the same rates, terms, and conditions.

For questions, contact Dynegy at <u>DynegyCustomerService@dynegy.com</u>, call 888-682-2170 or visit Dynegy.com/Salem.

We look forward to providing this program.	
Sincerely,	
City of Salem and Dynegy	
Community: City of Salem	
I do not want to participate in the Ci understand that my account will <b>not</b>	ty of Salem Electric Aggregation Program. By checking this box, I be included in the program.
This opt out must be post marked by November	<b>r 8, 2018</b> - mail to Dynegy, PO Box 650764 Dallas, TX 75265-0764
Customer Name	Customer Number < <customer number="">&gt;</customer>
Service Address <a href="#">&lt;<service address="">&gt;</service></a>	
Cian atoms	Data

# Dynegy Energy Services (East), LLC Residential and Small Commercial Electric Supply Agreement Terms and Conditions

- **1. Purchase of Electricity** Dynegy Energy Services (East), LLC (DES) agrees to sell, and you (Customer) agree to buy, all retail electricity at the price and on the terms and conditions specified in this Agreement. Customer's electric utility remains responsible for the delivery of electricity to the Customer.
- **2. Residential or Small Commercial Service** Customer acknowledges this Agreement is for electricity for residential or small commercial use only.
- **3. Price and Initial Term** The price for electricity (Price) will be \$0.04980 per kWh through your December 2021 meter read date (Initial Term). Electricity service under this Agreement will begin with the next available meter read date after DES and Customer's electric utility process Customer's enrollment. In addition to delivering electricity, Customer's electric utility will continue to read Customer's meter, bill the Customer and respond to any outages. If Customer switches back to Customer's electric utility for any reason, Customer may or may not be served under the same rates, terms, and conditions that apply to other customers served by the electric utility. The Price includes broker fees, but does not include any applicable taxes, fees or charges related to distribution service from the Customer's electric utility. If DES wishes to lower the Price due to a change in market conditions, DES may do so without Customer's consent provided there are no other changes to the terms and conditions of this Agreement.
- **4. Length of Contract -** As a part of your community's program, your service from DES will commence with your next available meter reading after processing of enrollment by your electric utility, and will continue for the term as specified in the opt-out notification, ending on your meter read for the last month of service.
- 5. Billing and Payment The charges for electricity provided by DES will appear on Customer's monthly bill from Customer's electric utility, and is due and payable to Customer's electric utility on the same day the electric utility's bill is due. Customer will incur additional service and delivery charges from the Customer's electric utility. Customer should continue to follow any bill payment procedures between Customer and Customer's electric utility. Customer agrees to accept the measurements as determined by Customer's electric utility for purposes of accounting for the amount of electricity provided by DES under this Agreement. Though DES does not offer budget billing for the electricity provided, the customer may contact the Customer's electric utility to enroll in the utility budget billing program, if applicable. Customer has the right to request from DES, twice within a twelve-month period without charge, up to twenty-four months of the Customer's payment history. The failure to pay electric utility charges may result in Customer being disconnected from service in accordance with the Customer's electric utility tariff.
- 6. Customer Cancellation or Termination of the Agreement Customer's electric utility will send Customer a notice confirming the switch to DES for electricity. CUSTOMER MAY CANCEL THIS AGREEMENT WITHOUT PENALTY WITHIN SEVEN (7) CALENDAR DAYS OF THE POSTMARK ON THE ELECTRIC UTILITY'S CONFIRMATION NOTICE OF THE SWITCH TO DES BY CONTACTING CUSTOMER'S ELECTRIC UTILITY BY TELEPHONE OR IN WRITING IN ACCORDANCE WITH THE CANCELLATION INSTRUCTIONS ON THAT NOTICE. After the seven-day cancellation period, Customer must contact DES to terminate this Agreement. There is no fee for early termination during any renewal term. Customer may terminate this Agreement without penalty if Customer moves outside of DES's service area or into an area where DES charges a different price for electricity.
- 7. DES Termination of the Agreement DES may terminate this Agreement by giving Customer written notice of at least 14 calendar days if the Customer fails to make any payments under this Agreement or fails to meet any agreed-upon payment arrangements. DES may also terminate this Agreement by giving Customer written notice if any Force Majeure Event (See Section 13 of this Agreement), as defined below, physically prevents or legally prohibits DES from performing under the terms of this Agreement. Upon termination of this Agreement, Customer will return to Customer's electric utility for electricity unless Customer has selected another Competitive Retail Electric Service (CRES) provider. The effective date of any termination by Customer or DES will be the next available meter read date after expiration of any required notice period and processing by the electric utility and DES of the return of the Customer to the

# Dynegy Energy Services (East), LLC Residential and Small Commercial Electric Supply Agreement Terms and Conditions

electric utility. Upon termination by any party for any reason, Customer will remain responsible for all charges for electricity through the date of termination.

- **8. Environmental Disclosure** This Agreement incorporates the information provided to Customer or made available to Customer at DES's website (DynegyOhio.com) regarding the approximate generation resource mix and environmental characteristics of electricity supply.
- **9. Assignment** DES may assign, subcontract or delegate all or any part of DES's rights and/or obligations under this Agreement without consent from Customer. Customer shall not assign its rights and/or obligations under this Agreement without the prior written consent of DES.
- **10. Customer Information** Customer authorizes DES to obtain any information from Customer's electric utility necessary for DES to perform this Agreement, including Customer's account name, account number, billing address, service address, telephone number, standard offer service type, meter readings, when charges hereunder are included on the electric utility's bill, and Customer's billing and payment information from Customer's electric utility. DES is prohibited from disclosing Customer's social security number and/or account number(s) without Customer's consent except for DES's own collections and credit reporting, participation in programs funded by the universal service fund pursuant to section 4928.52 of the Revised Code, or assigning a customer contract to another CRES provider.
- **11. Dispute Resolution** If Customer has a billing or other dispute involving this Agreement, Customer may contact DES at the telephone number, e-mail address or mailing address listed below. 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 (PUCO) for assistance at 1-800-686-7826 (toll free) from eight a.m. to five p.m. weekdays, or at <a href="http://www.puco.ohio.gov">http://www.puco.ohio.gov</a>. Hearing or speech impaired customers may contact the PUCO via 7-1-1 (Ohio relay service). The Ohio consumers' counsel (OCC) represents residential utility customers in matters before the PUCO. The OCC can be contacted at 1-877-742-5622 (toll free) from eight a.m. to five p.m. weekdays, or at <a href="http://www.pickocc.org">http://www.pickocc.org</a>.
- **12. Limitation of Liability** Customer agrees that neither DES nor any of its employees, affiliates, agents, or subcontractors (collectively, DES Parties) will be liable for any damages or claims for matters within the control of Customer's electric utility or the regional transmission organization controlled electricity grid. The DES Parties will not be responsible for any failure to commence or terminate power and energy service on the date specified herein due to any failure or delay in enrolling Customer with Customer's electric utility. The DES Parties' liability will be limited to direct actual damages only. In no event will the DES Parties be liable for any punitive, incidental, consequential, exemplary, indirect, attorney's fees, third-party claims or other damages whether based on contract, warranty, tort, negligence, strict liability or otherwise, or for lost profits arising from any breach or nonperformance of this Agreement.
- 13. Force Majeure If a Party is prevented by Force Majeure from carrying out, in whole or part, its obligations under this Agreement (the "Claiming Party") and gives notice and details of to the other Party as soon as practicable, then the Claiming Party shall be excused from the performance of its obligations under this Agreement (other than the obligation to make payments then due or becoming due with respect to performance prior to the Force Majeure). The Claiming Party shall remedy the Force Majeure with all reasonable dispatch. During the period excused by Force Majeure, the non-Claiming Party shall not be required to perform its obligations under this Agreement. "Force Majeure" shall mean an event or circumstance which prevents the Claiming Party from performing its obligations or causes delay in the Claiming Party's performance under this Agreement, which event or circumstance was not anticipated as of the date this Agreement was agreed to, which is not within the reasonable control of, or the result of the negligence of, the Claiming Party, and which, by the exercise of due diligence or use of good utility practice, as defined in the applicable transmission tariff, the Claiming Party is unable to overcome or avoid or cause to be avoided, such as, but not limited to, acts of God; fire; flood; earthquake; war; riots;

### Dynegy Energy Services (East), LLC Residential and Small Commercial Electric Supply Agreement Terms and Conditions

strikes, walkouts, lockouts and other labor disputes that affect Customer or DES. Force Majeure shall not be based on 1) Customer's inability to economically use the electricity purchased hereunder; or 2) Supplier's ability to sell the electricity at a price greater than the price under this Agreement.

14. REGULATORY OUT - Changes to laws, regulations, rules, decisions, entries, findings, or orders governing the generation, transmission, or sale of electricity may be made by different entities, including state agencies and regulatory bodies such as the Public Utilities Commission of Ohio (PUCO), federal agencies and regulatory bodies such as the Federal Energy Regulatory Commission (FERC), and Regional Transmission Organizations (RTO) that operate multi-state regional electric transmission systems such as PJM Interconnection LLC (PJM), the RTO that operates the regional electric transmission system in a multi-state region that includes Ohio. Such changes may include, without limitation, new, revised, altered, amended, or reinterpreted laws, regulations, rules, decisions, entries, findings, or orders relating to (i) the generation of electricity, (ii) the availability and reliability of electricity supply resources (including, without limitation, capacity), (iii) the reliability of the electricity grid, (iv) the transmission or delivery of electricity, and (v) the sale or marketing of wholesale and retail electricity (collectively, Regulatory Events). DES has no control over Regulatory Events. If any Regulatory Event makes this Agreement uneconomic or unprofitable for DES, Customer agrees that DES may propose new contract terms to Customer, including, without limitation, an increased price for the electricity delivered by DES under this Agreement. If DES proposes new contract terms in accordance with this clause, DES will provide written notice to the Customer that identifies (1) the Regulatory Event(s) at issue, (2) the new contract terms proposed by DES, and (3) when the new contract terms will take effect following Customer's acceptance. Customer will have thirty (30) days from the date of the written notice to affirmatively accept or reject the new contract terms. If Customer does not affirmatively accept the new contract terms within thirty (30) days of the written notice, DES may in its sole discretion elect to terminate this Agreement without penalty on the next available meter read date after the expiration of the thirty-day notice period and processing by the electric utility and DES, after which Customer will return to Customer's electric utility or another CRES provider of Customer's choosing for electricity; alternatively, DES may, in its sole discretion, elect to continue supplying electricity to Customer under the original terms of this Agreement.

#### **Contact Information**

In the event of an emergency involving Customer's electric service (for example, an outage or downed power lines) Customer should call the emergency line for Customer's electric utility. In all other situations, Customer may contact DES toll free at 888-682-2170. Customer Care Representatives are available Monday – Friday, 8:00 am - 7:00 pm ET. During all other hours please leave a message for a return call. Customer may also contact DES by email at <a href="mailto:DynegyCustomerService@dynegy.com">DynegyCustomerService@dynegy.com</a>, or by US Mail at DYNEGY, LLC, Attn: Customer Care, PO Box 650764 Dallas, TX 75265-0764. Customer may also visit Dynegy's website at <a href="https://www.dynegy.com/electric-supplier">https://www.dynegy.com/electric-supplier</a>.

# Proof of Publication SALEM NEWS

P.O. Box 268 161 North Lincoln Avenue Salem, Ohio 44460

ACCT #: S950

NAME: City of Salem
TYPE: Legal Notice
AMOUNT: \$63.90

File Date: June 10, 2010

#### Hannah L. Ritchie,

Being duly sworn as a clerk of the Salem News, Salem, Ohio, a daily newspaper of general circulation in said City of Salem, County of Columbiana, and State of Ohio and states that the advertisement listed below was published in said newspaper on:

Published in the SALEM NEWS on

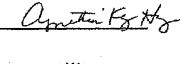
June 3 and June 10, 2010.

Sworn to and subscribed before me, this

Today's date: June 10, 2010

Total Fee: <u>\$63.90</u>

Advertising Rep: Hannah Ritchie





Notice is hereby their that, pursuants ORD in at the Cay of Salem will hold by separate public hearings on the Cay of Salem Electric Power: Aggiregation Ran of Openion and Governance con June 15th at Modism and Country of the Cay of Salem Country of the Cay of the Cay

The schy of Salem Election Power Agent Section 18 of Open Learning Heaven and Seven and procedures by which the City of Salem Will carry but aggregation program including those political procedures and procedures which the section 19 of 19

if you have any outer tions, you may call City Hall between the house of 8:00 tan and 8:00pm at 330-332, 4241

Published in the Salem News June 3 and June 10 2010

# City of Salem

# Electric Power Aggregation Plan of Operation and Governance

July 6, 2010

# City of Salem Electric Power Aggregation Plan of Operation and Governance

#### I. INTRODUCTION

Amended Substitute Senate Bill 3 ("S.B. 3") opened Ohio's retail electric market as of January 1, 2001. S.B. 3 authorizes customer choice in the selection of suppliers of retail electric generation and declares electric generation service, aggregation service, power marketing, and power brokering as competitive retail electric services. The legislation gave the Public Utilities Commission of Ohio ("PUCO") authority to adopt rules regarding the development of a competitive retail electric market in Ohio and authority to promulgate rules on governmental aggregation.

Large industrial and commercial consumers with sophisticated electric operations use their size and expertise to obtain lower electric power rates. Individual residential and small commercial consumers are typically unable to obtain significant price reductions since they lack the bargaining power, expertise and the economies of scale enjoyed by larger consumers. Aggregation, the combining of multiple electric loads, provides the benefits of retail electric competition for consumers with lower electric demands.

Government aggregation, the combining of multiple electric loads by a municipality, provides the means through which Salem residential consumers may obtain the economic benefits of Ohio's competitive retail electric market. The Salem Aggregation Program combines the electric loads of residential customers to form a buying group ("Aggregation Group"). The City of Salem will act as Purchasing Agent for the Aggregation Group. This means that Salem will be a Governmental Aggregator, as defined by Ohio law and the rules established by the PUCO, and shall act on behalf of Ohio Edison (OE) customers in the City to obtain the best electric generation rate for consumers who participate in the Aggregation Group.

#### II. PROCESS

On May 4, 2010, Salem voters approved the development of a form of government electric aggregation known as "opt-out" aggregation. Under the opt-out program, all OE residential and business customers in the City are automatically included as participants in the program unless they opt-out of the program by providing written notice of their intention not to participate. As required by state law, the City Council passed an Ordinance, which authorized submitting the selection of opt-out aggregation to the City's voters.

In addition to obtaining necessary City Council approvals, the City is also required to comply with various PUCO regulations. The City will file an application with the

PUCO for certification as a Government Aggregator as soon as the City Council Approves the Plan, on or about June 15, 2010. As required by the regulations, the City developed this Aggregation Plan of Operation and Governance ("Plan"). On June 3, 2010 and June 10, 2010 the City advertised the Public hearing dates to discuss the Plan in the Salem New. As required by the PUCO's regulations, two hearings were conducted on June 15, 2010. The Opt-out notice for the City's Program will be sent to all eligible electric customers in the City upon approval of this Plan, setting forth the rates, terms and conditions of the program, and giving 21 days to opt out of the Program.

By vote of the City Council of Salem on April 15, 2010, the City selected FirstEnergy Solutions, Inc. (FES), a subsidiary of FirstEnergy Corp., as its Refail Electric Generation Provider, to provide the electric power for the Salem Aggregation Program at this time. Under this program, Ohio Edison (OE) will still deliver the electricity purchased from the City's provider, FES, to customers, customers will receive only one bill (from OE), and all metering, repairs and emergency service will continue to be provided by OE.

#### III. DEFINITIONS

In order to clarify certain terminology, the following terms shall have the meanings set forth below:

"Aggregation Program" means the program developed by the City of Salem, as a Government Aggregator under Section 4928.20 Ohio Revised Code, to provide OE customers in the City with retail electric generation services.

"Government Aggregator" means the City and its legislative authority acting as an aggregator for the provision of a competitive retail electric service under the authority conferred under Section 4928.20 of the Ohio Revised Code.

"Member" means a person enrolled in the Salem government Aggregation Group for competitive retail electric services.

"Retail Electric Generation Provider" ("Provider") means an entity certified by the Public Utilities Commission of Ohio ("PUCO") to provide competitive retail electric service(s), and which is chosen by the City to be the entity responsible to provide the required service related to "Government Aggregation" as defined in Section 4928.20 of the Ohio Revised Code and applicable provisions of the rules of the PUCO.

"Competitive Retail Electric Service" ("CRES") means a component of electric retail service that is deemed competitive pursuant to the Ohio Revised Code or pursuant to an order of the PUCO.

#### IV. OPERATIONAL PLAN:

#### A. Aggregation Services

- 1. Provider: Salem will use a contractor ("Retail Electric Generation Provider") to perform and manage aggregation services for its Members. The City has selected FES to be its Provider at this time. The Provider shall provide adequate, accurate, and understandable pricing terms and conditions of service, including any switching fees and the conditions under which a Member may rescind a contract without penalty. The Provider must provide the City, if requested, an electronic file containing the Members usage, and charges. The Provider must have a local Akron phone number or a toll free number for Members to call.
- 2. Database: The Retail Electric Generation Provider will build and maintain a database of all Members. The database will include the name, address, Ohio Edison account number, and Retail Electric Generation Provider's account number of the Member, and other pertinent information such as rate code, rider code (if applicable), most recent 12 months of usage and demand, and meter read cycle. This database will be updated at least quarterly. Accordingly, the Retail Electric Generation Provider will develop a process to be implemented that will be able to accommodate at a minimum Members who (i) leave the program due to relocation, opting out, etc. (ii) decide to enter the Program; (iii) relocate within the City, and (iv) move into the City and desire to enter the Program. This database shall also be capable of eliminating PIPP customers from the Program, should that be necessary, and those who have opted out. The Retail Electric Generation Provider will use this database to perform bill audits for clerical and mathematical accuracy of Member bills.
- 3. Member Education: The Retail Electric Generation Provider will develop, with the assistance of the City, an educational program that generally explains the Aggregation Program to Members, provides updates and disclosures mandated by Ohio law and PUCO rules, and implements a process to deal with allowing any person enrolled in the Aggregation Program the opportunity to opt out of the program at least every three years, without paying a switching fee to the City or the Provider. See Appendix A for a detailed description of the Education Process.
- 4. Customer Service: The Retail Electric Generation Provider will develop and administer a customer service process, that at a minimum will be able to accommodate (i) Member inquiries and complaints about billing; and (ii) answer questions regarding the program in general. This process will include at a minimum a description of how telephone inquiries will be handled, either internally or externally, how invoices will be prepared, how remittance of payment will be dealt with, and how collections for delinquent accounts will be addressed. See Appendix B for a detailed description of the Customer Service Plan.
- 5. Billing: Salem will use the Retail Electric Generation Provider, or its designated agent, to provide billing services to each Member for the Competitive Retail Electric Services, with no additional administrative fee. At this time, Ohio Edison will render the billing statement, which should be consistent with all applicable guidelines issued by the

PUCO. As this market develops, Salem may, at its option and in consultation with the Provider, change this function to the Retail Electric Generation Provider or a billing agency.

- 6. Compliance Process: The Retail Electric Generation Provider will develop internal controls and processes to ensure that the City remains in good standing as a Government Aggregator that complies with all laws, rules and regulations surrounding the same, as they may be amended from time to time. It will be the Retail Electric Generation Provider's responsibility to deliver periodic reports that will include at a minimum (i) the number of Members participating in the Program; and (ii) a savings estimate or increase from the previous year's baseline. The Retail Electric Generation Provider will also develop a process to monitor and provide notification of any changes in laws, rules or regulations.
- 7. Notification to Ohio Edison: The City's OE consumers that do <u>not</u> opt-out of the City's Aggregation Group will be enrolled automatically in the Aggregation Program. Participants in the City's Aggregation Group will <u>not</u> be asked to take other affirmative steps in order to be included in the Group. To the extent that OE requires notification of participation, the City will coordinate with its Provider to provide such notice to OE. The Provider will inform OE of any individuals who may have been permitted to join the Aggregation Group after the expiration of the enrollment period.

#### B. Power Supply Agreement

The Power Supply Agreement will provide for the Provider to serve the City's Government Aggregation Group. Under the Agreement, the term for power supply to Members will be for nine years from the beginning of service.

C. Salem's Retail Electric Generation Provider - FirstEnergy Solutions, Inc. (FES)

FES satisfies each of the following requirements:

- Has sufficient sources of power to provide retail firm power to the residents of Salem.
- Is a licensed Federal Power Marketer with the Federal Energy Regulatory Commission.
- Is certified as a CRES by the PUCO.
- Is registered as a generation supplier with OE.
- Has a Service Agreement for Network Integration Transmission Service under FirstEnergy's Open Access Transmission Tariff.
- Has a Service Agreement under FirstEnergy's Market-based Rate Tariff.
- Has the corporate structure to sell retail firm power to the OE customers in the City.
- Its Electronic Data Interchange computer network is fully functional and capable of handling the OE retail electric customers in Salem.

Has the marketing ability to reach all OE retail electric customers to educate them
on the City's Aggregation Program.

Has a call center capable of handling the City's Aggregation Group customer calls.

 Has a toll-free number as required by the PUCO for customer service and complaints related to the City's aggregation program.

 Will hold the City financially harmless from any financial obligations arising from supplying power to the TE retail electric customers in the City.

Satisfies the State of Ohio's, FirstEnergy's and the City's credit requirements.

Will execute the Power Supply Agreement.

 Will assist the City in filing the annual reports required by the PUCO and Section 4805.10(A), Section 4911.18(A) and Section 4928.06(F) of the Ohio Revised Code.

Will assist the City in developing a Consumer Education Plan.

#### D. Activation of Service

After a notice is sent out to all electric customers in the City providing 21 days to opt out of the Program, all customers who do not opt out will be automatically enrolled in the Program. Generation service activation will occur thereafter without consumer action beginning on the customer's normal meter read date within the month when power deliveries begin under the Aggregation Program.

#### E. Changes, Extension or Renewal of Service

The current Agreement for power supply service with FES will provide service for nine years beginning upon activation of service. If the Agreement is extended or renewed, Members will be notified as required by law and the rules of the PUCO as to any change in rates or service conditions. At least every three years all OE customers in the City will be given an opportunity to opt into or out of the Program, and reasonable notice will be provided as required by law and PUCO rules. Participants will also be notified of their right to select an alternate generation supplier and of their ability to return to OE's Standard Service Offer.

#### F. <u>Termination of Service</u>

In the event that the Power Supply Agreement is terminated prior to the end of the term, each individual Member of the Aggregation Group will receive written notification of the termination of the Program at least sixty (60) days prior to termination of service. If the Agreement is not extended or renewed, Members will be notified as required by law and the CRES rules of the PUCO in advance of the end of service. Members will also be notified of their right to select an alternate generation supplier and of their ability to return to OE's Standard Service Offer upon termination.

#### G. Opt-In Procedures

OE customers will be automatically enrolled in the Program after a 21 day opt out period, unless they return the form to be provided, notifying the Provider that they

do not want to participate. OE consumers in the City may request to join the Aggregation Group after the expiration of the enrollment period by contacting the Provider, who shall determine whether to accept them into the Program, and at what rate, subject to written policies mutually agreed upon by the City and the Provider. The agreed upon policy shall be consistent with OE's service activation requirements. Aggregation Group participants who move from one location to another within the corporate limits of the City shall retain their participant status.

#### H. Opt-out Procedures

OE consumers may opt-out of the City's Aggregation Group at any time during the opt-out period without additional fees charged by the Provider or the City. Aggregation Group participants who switch to a different generation supplier after the expiration of the Opt-out period will be allowed to do so in correlation with the consumer's next scheduled meter read date but will be charged a switching fee (\$25 for Residential and \$50 for Small Commercial) to be billed on their final bill from the Provider. Switching to a different generation supplier on the next meter read date, however, will occur when the next meter read date is twelve (12) business days or more from the date of the consumer's notice of intent to opt-out of the Aggregation Group. Notification of intent to opt-out of the Aggregation Group may be made by contacting the Provider by telephone or in writing. Consumers who opt-out of the Aggregation Group will default to OE's Standard Service Offer, until the consumer selects an alternate generation supplier.

#### I. Rates

#### May 2010 - December 2018\*:

Rate RS – Standard Residential	Rate GS – General Secondary
Rate	to 399 KWd
2010 – 6% Discount	2010 – 4% Discount
2011 – 6% Discount	2011 – 4% Discount
2012 – 6% Discount	2012 – 4% Discount
2013 – 6% Discount	2013 – 4% Discount
2014 – 6% Discount	2014 – 4% Discount
2015 – 6% Discount	2015 – 4% Discount
2016 – 6% Discount	2016 – 4% Discount
2017 – 6% Discount	2017 – 4% Discount
2018 – 6% Discount	2018 – 4% Discount

National accounts (e.g. McDonald's, BP, Dollar General) as well as eligible commercial accounts with annual usage over 700,000 will be offered the discounts in either plan selected but they must "opt-in" to the program.

\*For the term referenced above, the generation pricing under this Agreement will be calculated as the specified percentage off the generation, generation related and transmission charge (Rider Gen) as set forth in the EDU's applicable tariff. FES reserves the right to terminate service and return members to standard offer service for the period June 2011 – December 2018 if the EDU standard service offer pricing and or tariff structure is modified. As described above, no discount will be given on transmission and ancillary services if they are identified in a separate tariff approved by the PUCO.

#### J. Universal Service and Low Income Customer Assistance

The Ohio Department of Development (ODOD), under the electric restructuring law, will provide one-stop shopping for low-income assistance programs. There are five low-income assistance programs: 1) Percentage of Income Payment Plan (PIPP); 2) the Home Energy Assistance Program; 3) the Home Weatherization Assistance Program; 4) the Ohio Energy Credit Program; and 5) the Targeted Energy Efficiency and Weatherization Program. Ohio law allows the Director of the Ohio Department of Development to aggregate consumers that participate in PIPP and to competitively auction the generation supply for PIPP customers. Accordingly, PIPP customers may be included in the State's PIPP customer aggregation. To the extent permitted by Ohio law and the PUCO, PIPP customers will be included in the City's aggregation unless they choose to opt out.

#### V. MISCELLANEOUS GOVERNANCE GUIDELINES

- A. City Council shall approve through Resolution or Ordinance the Plan of Operation and Governance for the Aggregation program and any Amendments thereto.
- B. The City shall contract with only Retail Electric Generation Providers certified by the Public Utilities Commission of Ohio for the provision of Competitive Retail Electric Service to the Aggregation Program Members.
- C. The City will require any Provider to disclose any subcontractors that it uses in fulfillment of the services described above.
- D. The City will require the Provider to maintain either a toll free telephone number, or a telephone number that is local to City residents who are Members.
- E. All costs of the Aggregation Program development/administration will be paid either through the general fund and/or through the inclusion of a percentage adder that will be added to Member bills.

#### VI. <u>LIABILITY</u>

THE CITY SHALL NOT BE LIABLE TO PARTICIPANTS IN THE AGGREGATION GROUP FOR ANY CLAIMS, HOWEVER STYLED, ARISING OUT OF THE AGGREGATION PROGRAM OR THE PROVISION OF AGGREGATION SERVICES BY THE CITY OR THE PROVIDER. PARTICIPANTS IN THE AGGREGATION GROUP SHALL ASSERT ANY SUCH CLAIMS SOLELY AGAINST THE PROVIDER PURSUANT TO THE POWER SUPPLY AGREEMENT, UNDER WHICH SUCH PARTICIPANTS ARE EXPRESS THIRD-PARTY BENEFICIARIES.

#### VII. INFORMATION AND COMPLAINT NUMBERS

Copies of this Plan are available from the City of Salem free of charge. Call the City Office at 330-332-4241 for a copy or for more information.

Any electric customer, including any participant in the City's Aggregation Program, may contact the Public Utilities Commission of Ohio (PUCO) for information, or to make a complaint against the Program, the Provider or OE. The PUCO may be reached toll free at 1-800-686-7826.

#### Appendix A -- Education Process

The Provider will develop the educational program in conjunction with the City. Its purpose will be to explain the aggregation program to its members, provide updates and disclosures as mandated by State law and the rules of the PUCO, and provide the opportunity for the members to opt out of the program. The following are the program components:

- 1. Each residence within the limits of the City will receive via U.S. Mail notification of: what government aggregation means, their membership in the government aggregation program, the procedure which must be followed in order to opt out of the program, the price that they can expect to receive as a member of the program, and the deadline for returning the opt out form. See the attached letter.
- 2. The Provider will work with the City to provide opportunities for educating residents in the City about the Program and consumer rights under the law, PUCO rules and this Program. In addition, the Provider and City will work to provide education about and other opportunities for energy efficiency measures to help consumers reduce energy consumption.
- 3. The Provider will provide updates and disclosures as mandated by State law and rules of the PUCO.
- 4. The opt-out opportunity will be provided to the members of the program at least every three years. Should conditions, suppliers, price, or any other component of the program change within the three-year period, participants will be given a notice of their opportunity to opt out of, or into the program.

July 6, 2010

Dear City of Salem Resident,

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

After researching competitive electricity pricing options for you, we have chosen FirstEnergy Solutions Corp., a subsidiary of FirstEnergy Corp., to provide you with savings on your electric generation through December 2018. There is no cost for enrollment and you will not be charged a switching fee. You do not need to do anything to participate.

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

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

You will see your electric savings from FirstEnergy Solutions after your enrollment has been completed and your switch has been finalized – approximately 30 - 45 days, depending upon your meter read date. Of course, you are not obligated to participate in the City of Salem's electric governmental aggregation program. If you wish to be excluded from the program and remain a full-service customer of your local electric utility – Ohio Edison– you have until July 27, 2010 to return the attached "opt-out" form. If you do not opt out at this time, you will receive a notice at least every three years asking if you wish to remain in the program. If you leave the program at any other time, you could be subject to a \$25 cancellation fee from FirstEnergy Solutions – and you might not be served under the same rates, terms and conditions that apply to other customers served by Ohio Edison.

After you become a participant in this governmental aggregation program, Ohio Edison will send you a letter confirming your selection of FirstEnergy Solutions as your electric generation provider. As required by law, this letter will inform you of your option to cancel your contract with FirstEnergy Solutions within seven days of its postmark. To remain in the City's governmental aggregation program, you don't need to take any action when this letter arrives.

Ohio Edison will continue to maintain the system that delivers power to your home - no new poles or wires will be built by FirstEnergy Solutions. You will continue to receive a single, easy-to-read bill from your local electric utility with your FirstEnergy Solutions charges included. The only thing you'll notice is savings.

If you have any questions, please call FirstEnergy Solutions toll-free at 1-866-636-3749, Monday through Friday, 8 a.m. to 5 p.m. Please do not call the City of Salem with aggregation program questions.

Sincerely,

City of Salem

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

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



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

	residents in the City of Salem's Electric Governmental Aggregation Program.
	l wish to opt out of the City of Salem Electric Governmental Aggregation Program.  (Check box to opt out.)
	address (City, state and
Phone number	
	t holder's re:Date;

Mail by July 27, 2010 to Salem Electric Governmental Aggregation Program, 341 White Pond Drive, Bldg. B-3, Akron, Ohio 44320

#### Appendix B -- Customer Service Plan

#### A. Member Access:

- 1. FES shall ensure Members reasonable access to its service representatives to make inquiries and complaints, discuss charges on Member bills, and transact any other business.
- 2. Telephone access shall be toll free and afford Members prompt answer times during normal business hours, as follows:

FirstEnergy Solutions Corp.
341 White Pond Dr., Bldg B-3
Akron, Ohio 44320
Toll-free telephone number: 1-866-636-3749
Hours: M-F, 8:00 a.m. - 5:00 p.m.

3. FES shall provide a 24-hour automated telephone message instructing callers to report any service interruptions or electrical emergencies to Ohio Edison.

#### B. Member Complaints:

- 1. FES shall investigate Member complaints (including Member complaints referred by Ohio Edison) and provide a status report within five calendar days following receipt of the complaint to:
  - a. The consumer, when the complaint is made directly to FES; or
  - b. The consumer and The Public Utilities Commission of Ohio Staff ("Commission Staff"), when a complaint is referred to FES by the Commission Staff.
- 2. If an investigation is not completed within 14 calendar days, FES shall provide status reports to the consumer and the City, or if applicable, to the consumer, the City and the Commission Staff. Such status reports shall be provided at five-day intervals until the investigation is complete, unless the action that must be taken will require more than five days and the Member has been so notified.
- 3. FES shall inform the consumer, or the consumer, the City and Commission Staff, of the results of the investigation, orally or in writing, no later than five calendar days after completion of the investigation. The consumer, the City, or Commission Staff may request the report in writing.
- 4. If a residential consumer disputes the FES report, FES shall inform the consumer that the Commission Staff is available to help resolve informal complaints. FES shall provide the consumer with the current address, local/toll

free telephone numbers, and TDD/TTY telephone numbers of the Commission's consumer services department.

- 5. FES shall retain records of Member complaints, investigations, and complaint resolutions for one year after the occurrence of such complaints, and shall provide such records to the commission staff within five calendar days of request.
- 6. FES shall make good faith efforts to resolve disputes.

#### C. <u>Member Billing and Payments</u>

- 1. FES shall arrange for Ohio Edison or its agent to bill Members for such services according to a tariff approved by the commission. Residential Member bills issued by or for FES shall be accurate and understandable, be rendered at intervals consistent with those of Ohio Edison, and contain sufficient information for Members to compute and compare the total cost of competitive retail electric service (s). Such bills shall also include:
  - a. The Member's name, billing address, service address, the Member's EDU account number, and if applicable, FES account number;
  - The dates of service covered by the bill, an itemization of each type of competitive service covered by the bill, any related billing components, the charge for each type of service, and any other information the Member would need to recalculate the bill for accuracy;
  - c. The applicable billing determinants, including beginning meter reading, ending meter reading(s), demand meter reading(s), multipliers, consumption(s), and demands;
  - d. For Member-generators with net metering contracts, a statement of the net metered generation;
  - e. The unit price per kWh charged for competitive service, as calculated by dividing current-period competitive service charges by the current-period consumption;
  - f. An identification of the provider of each service appearing on the bill;
  - g. The amount billed for the current period, any unpaid amounts due from previous periods, any payments or credits applied to the Member's account during the current period, any late payment charges or gross and net charges, if applicable, and the total amount due and payable.
- 2. The due date for payment to keep the account current. Such due date shall be no less than:
  - Fourteen days after the postmark date on the bill for residential Member; and Twenty-one days after the postmark date or the bill for nonresidential Members;
  - b. Current balance of the account, if a residential Member is billed according to a budget plan;
  - c. Options and instructions on how Members may make their payments;

 d. For each provider whose charges appear on the bill, a listing of the provider's toll-free telephone number and address for Member billing questions or complaints;

 A listing of the toll-free consumer assistance telephone numbers and available hours for applicable state agencies, such as the commission, the Ohio Consumers' Counsel, and the Ohio Attorney General's office;

f. The Ohio Edison 24-hour local/toll-free telephone number for reporting service emergencies;

g. Identification of estimated bills or bills not based upon actual end-ofperiod meter readings for the period; and

h. An explanation of any codes and abbreviations used.

- If applicable, FES will, upon request, provide Members with the name and street address/location of the nearest payment center and/or authorized payment agent.
- 4. If applicable, when a Member pays the bill at a payment center or to an authorized payment agent, such payment shall be credited to the Member's account as of the day such payment center or agent receives it.
- The City and FES shall establish policies and procedures for handling billing disputes and requests for payment arrangements.

#### D. Collections for delinquent accounts:

- Collections for delinquent accounts shall be the responsibility of FES or its agent.
- The City shall approve the Collections process utilized by FES.
- 4. Failure of Members to pay charges for Competitive Retail Electric Services may result in loss of those products and service; and
- Failure to pay charges for Competitive Retail Electric Services may result in cancellation of the Member's contract with FES, and return the Member to Ohio Edison's Standard Offer.

City of Salem routinely negotiates for services and supplies that benefit the residents of the city. Due to the complexity of Governmental Aggregation, City of Salem has a valid contract with Dynegy Energy Services (East), LLC (Dynegy) to provide retail electric generation service for the city's Governmental Aggregation program. Dynegy currently provides competitive retail electric generation services through Ohio as a PUCO-certified CRES provider (PUCO Case No. 04-1323; Certificate No. 04-124E (8)).

Under the terms of the contract, Dynegy will provide services necessary to administer and support the Governmental Aggregation program. Dynegy has extensive experience with community-based aggregation and endorsement programs. Dynegy's employees are experienced with the governmental aggregation process, including customer enrollments and the opt-out process. Dynegy has contracted with TCS United to provide a 24x7 call center to support Dynegy's customer programs, including City of Salem's Governmental Aggregation program. Through its call center, Dynegy will respond to any customer inquiries or complaints regarding the electricity and aggregation services for the residents of the city who participate in the program. City of Salem will respond to all other questions regarding its Governmental Aggregation program.

Dynegy will use the local electric distribution utility for billing services. In addition, as permitted by Ohio Administrative Code 4901:1-21-16(G), City of Salem has selected Dynegy to perform certain functions as its agent, including submitting certain filings with the PUCO and assisting the city in its compliance with the rules adopted pursuant to Ohio Revised Code Section 4928.10. As provided in Ohio Administrative Code 4901:1-21-16(G), the city remains responsible for compliance with all applicable laws and rules.

# This foregoing document was electronically filed with the Public Utilities Commission of Ohio Docketing Information System on

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in

Case No(s). 14-1943-EL-GAG

Summary: Application electronically filed by Mrs. Kelly E. Dixon on behalf of Energy Harbor and Salem