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Doss, Dianne

From: Pam Jones, Operations [jonesp@mason.k12.oh.us]
 Posted At: Wednesday, September 21, 2005 10:21 AM
 Conversation: CGE Resolution
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 Subject: CGE Resolution

05-974-GA-AAM
 05-733-EL-AAM
 05-732-EL-MER

~~05-59-EL-AIR~~

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Please see the attached resolution which was adopted by the Mason City Schools Board of Education on September 13, 2005.

Pam Jones
 Secretary, Operations Department
 513.398.0474

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Mason City Schools Board of Education

At a meeting of the Mason City Schools Board of Education held on Tuesday, September 13, 2005, the following resolution was approved.

It was moved by Mrs. Delp and seconded by Mrs. Yingling the following motion:

RESOLUTION

TO URGE THE CINCINNATI GAS AND ELECTRIC COMPANY TO RECOGNIZE THE UNIQUE LOAD CHARACTERISTICS OF SCHOOL FACILITIES AND TO CONSIDER THOSE UNIQUE CHARACTERISTICS AND THE DIRE FINANCIAL CONDITION OF MANY SCHOOL DISTRICTS BY PROVIDING SCHOOLS WITH FAVORABLE ELECTRICITY RATES, AND TO AUTHORIZE THE OHIO ASSOCIATION OF SCHOOL BUSINESS OFFICIALS, THE BUCKEYE ASSOCIATION OF SCHOOL ADMINISTRATORS AND THE OHIO SCHOOL BOARDS ASSOCIATION TO INTERVENE BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO IN OPPOSITION TO PENDING CG&E RATE INCREASE AND MERGER CASES.

WHEREAS, the Board of this school district recognizes the extreme financial distress of this school district and other school districts in the Cincinnati Gas & Electric ("CG&E") service territory; and

WHEREAS, currently there are no special electric rates offered to the schools in the CG&E service territory to recognize that schools have different and more favorable load and usage characteristics than other commercial electric customers, but such special rates are offered to schools in the service territory of other Ohio electric utilities, such as FirstEnergy; and

WHEREAS, despite requests by OASBO, BASA and OSBA to CG&E, currently there is no electricity prepayment program offered to the schools in the CG&E service territory, but such an electricity prepayment program is offered to schools in the service territory of other Ohio electric utilities, including all of FirstEnergy's Ohio operating utilities pursuant to which such school districts are saving about 15% on their total electric bills for eligible school facilities; and

WHEREAS, Cinergy Corp., the parent company of CG&E, has entered into an agreement to merge with and into Duke Energy Corporation ;and

WHEREAS, the proposed merger will result in the loss of the Cinergy Corporation corporate headquarters in greater Cincinnati, loss of employment and jobs of Cinergy employees, and will result in a loss in the tax base of the greater Cincinnati area; and

WHEREAS, the proposed Cinergy/Duke merger does not propose any specific rate benefits or rate reductions to the school districts in greater Cincinnati, or otherwise benefit these school districts and others in the CG&E service territory; and

WHEREAS, OASBO, OSBA and BASA are not-for-profit Ohio associations comprised of boards of education, business officials and administrators of all school districts throughout the State of Ohio, including all boards of education of all public school districts and their business officials and administrators located in The Cincinnati Gas & Electric Company's ("CG&E's") service territory;

Now therefore be it

RESOLVED That the Board of this District opposes an increase in the electric distribution rates charged by CG&E to schools and the merger of Cinergy with Duke unless CG&E provides discounted rates to schools, including agreement to a prepaid electricity program favorable to the schools, and be it further

RESOLVED that the Board authorizes and directs OASBO, OSBA, and BASA jointly to intervene in the CG&E rate case and merger case before the Public Utilities Commission of Ohio on behalf of this District and to vigorously oppose CG&E's applications in those cases unless CG&E provides demonstrable rate benefits to school districts served by CG&E.

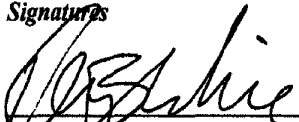
After discussion, a roll call vote was taken and the results were:

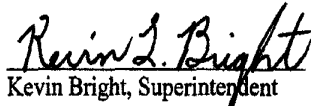
Voting Aye: Mrs. Culbertson, Yea; Mrs. Delp, Yea; Mr. Lenert, Yea;
Mrs. Yingling, Yea; Mr. Wise, Yea

Voting Nay: No Nay's

The Resolution was adopted on Sept 13, 2005.

Signatures


Kevin Wise, Board President


Kevin Bright, Superintendent


Richard Gardner, Treasurer

BOARD

SEP 13 2005

APPROVED