



# CITY OF LANCASTER

**David S. Smith, Mayor**

**Municipal Building  
104 East Main Street  
Room 101**

**Lancaster, OH 43130  
740-687-6600 ~ 740-687-6698 (fax)  
[mayor@ci.lancaster.oh.us](mailto:mayor@ci.lancaster.oh.us)**

## NEWS RELEASE

### **For Immediate Release**

Friday, February 14, 2014

To: City of Lancaster Residents

From: Mayor David Smith

### **Re: Lancaster Government Electric Aggregation Program**

I am pleased to announce that the City of Lancaster Governmental Electric Aggregation Program is underway. This program was approved by the voters in November 2001 and has enabled the city to secure lower electric prices for participating residents through its aggregate bargaining power.

Beginning on February 5, 2014, city residents began receiving mailers from FirstEnergy Solutions, our selected service provider, informing them of this program. The mailer was directed to residents who qualify for participation in this cost-savings program—that is, residents receiving their electric from AEP and who are not currently in contract with another electricity provider.

I am attaching for release the informational materials relating to this program which were included in prior mailers. Please note that the envelope and materials bear the City of Lancaster seal and my signature. These are the legitimate electric aggregation program materials for the City of Lancaster Governmental Electric Aggregation Program. If you do not see the city emblem and my signature, it is not the city's program.

All residents have the right to opt-out of this program. To do so, you must simply sign and return to FirstEnergy Solutions the form included in its mailer. For those residents wishing to participate in the program, no action is required. You will automatically be enrolled in the program and share in the cost savings. Regardless of whether you participate in the city's program or opt-out, your AEP bill will stay the same and you will still be an AEP customer. AEP is still responsible for electric power delivery to your home or business, and AEP will still read your meter, bill you, and provide maintenance and repair of your electric power supply. **The only change will be your savings.** The City is buying electric generation as a group rather than individually so we get a better rate.

To compare your current rate against the city program rate (which is \$0.0599/kWh), you need to look at your recent AEP billing invoices and find your "Price-to-Compare" near the bottom of the first page. If \$0.0599/kWh is less than the "Price-to-Compare" on your AEP bill, then you will save money in the city's program. And remember, the \$0.0599/kWh offered by the city's program is fixed for the next 36 months. A "kWh" (or kilowatt hour) is the unit measure for electricity. AEP states on their billing invoice that "you use one kWh of electricity to light a 100-watt light bulb for 10 hours."

So remember, do nothing and you are automatically enrolled in the City of Lancaster Aggregation Program. But if you do not want to be in the city's program, you must send in the opt-out form included in the mailer on or before February 26, 2014 to: Lancaster Electric Governmental Aggregation Program, 341 White Pond Drive, Bldg. B-2, Akron, Ohio, 44320.

If you miss the February 26, 2014 opt-out deadline, you will still have one more opportunity to remove yourself from the program. Once the switch is scheduled to take place, you will receive a notice from AEP stating that your electric generation service only is scheduled to be switched over, as well as the name of the supplier to which it will be switched. This AEP notification will give the customer seven days from the postmark on that notice to contact AEP that the information is not correct, or that you wish to opt-out of the City Aggregation Program.

If you are currently in a contract with FirstEnergy Solutions you can call 1-866-636-3749 and be switched over to the City of Lancaster Aggregation Program without any early termination or cancellation fees.

If you have any questions about the Lancaster Governmental Electric Aggregation Program, please contact First Energy Solutions toll free at 1-866-636-3749.

I hope you all find this program, and the cost savings to our citizens, to be a worthwhile endeavor.

Sincerely,



Mayor David Smith



Electric Governmental Aggregation Program  
341 White Pond Drive, Bldg. B-2  
Akron, Ohio 44320

PRESORTED  
STANDARD  
U.S. POSTAGE  
PAID  
AKRON, OH  
PERMIT No. 561

**Important Enrollment  
Information**  
Concerning Your Community's  
Electric Aggregation Program.

February 5, 2014



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

Dear Lancaster Resident,

Your community's aggregation program provides you the opportunity to receive exclusive low pricing on your electric bill. This is possible through governmental aggregation, a community purchasing program where community officials bring together citizens to gain group buying power for the purchase of electricity from a retail electric generation provider certified by the Public Utilities Commission of Ohio.

FirstEnergy Solutions, a subsidiary of FirstEnergy Corp., has been selected to provide you with this exclusive pricing on your electric generation. There is no cost for enrollment, you will not be charged a switching fee, and you do not need to do anything to participate. Please see the enclosed FAQs for more information.

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

The Lancaster program was approved by voters in your community in November 2004.

Your Electric Utility	Price	Term End Date	Opt Out Deadline	Early Termination Fee
AEP Ohio	5.99¢ per kWh	January 2017	February 26, 2014	\$0

As a new member of the program, you will see your electric rate from FirstEnergy Solutions after your enrollment has been completed and your switch has been finalized – approximately 30-45 days, depending upon your meter read date. Of course, you are not obligated to participate in the community's electric governmental aggregation program. If you do not want to participate in this program, you have until the opt out deadline to return the attached "opt-out" form. If you do not opt out at this time and leave the program at a later date, you might not be served under the same rates, terms and conditions that apply to other customers served by your utility. Once enrolled, you will receive a notice at least every three years asking if you wish to remain in the program.

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

Your electric utility will continue to maintain the system that delivers power to your home – no new poles or wires will be built by FirstEnergy Solutions. You will continue to receive a single, easy-to-read bill from your local electric utility with your FirstEnergy Solutions charges included.

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

Sincerely,

Dave S. Smith, Mayor, City of Lancaster

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

**OPT-OUT FORM – RESIDENTIAL ELECTRIC GOVERNMENTAL AGGREGATION PROGRAM**

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

**OR**

**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.

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

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

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

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

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

Mail by February 26, 2014 to: Lancaster Electric Governmental Aggregation Program, 341 White Pond Drive, Bldg. B-2, Akron, Ohio 44320

# Electric Governmental Aggregation Program Frequently Asked Questions Commercial Program

## **What is aggregation?**

Under governmental aggregation, local officials bring citizens together to gain group buying power for the purchase of competitively priced electricity from a retail electric generation supplier certified by the Public Utilities Commission of Ohio.

## **How is my community able to choose a certified electric generation supplier on my behalf?**

Residents voted to allow the community to contract for an electric generation supplier on their behalf.

## **How will I know if I can save money under the electric governmental aggregation program?**

You'll know you are saving money as long as your fixed price with FirstEnergy Solutions is lower than your Price to Compare.

## **What do I need to do if I want to be included in this governmental aggregation?**

You do not need to do anything to receive the fixed price offered under this program. You may choose to remain in the aggregation group and begin receiving your discount by simply not returning the opt-out form.

## **If I join my community's governmental aggregation program, who will deliver my power, read my meter and respond to emergencies, such as power outages?**

Your electric utility will be responsible for the delivery of power to your home or business. Since your electric utility still owns the wires and poles that deliver power to you, it will continue to read your meter and restore power after an outage.

## **Is your price for residential power fixed, or does it vary?**

In this program, the price you will receive each month does not change – it is a fixed price.

## **What does "opt out" mean?**

"Opt out" means that you can decide not to participate in your community's electric governmental aggregation program. By returning the opt-out form, which is included in this mailing, by the opt out deadline you will not be enrolled as an electric generation customer with FirstEnergy Solutions, your community's competitive electric generation supplier, and you will not receive the fixed price.

## **What happens if I do not send in the opt-out form?**

If you do not return the opt-out form postmarked by the opt out deadline, you will be included in your community's governmental aggregation program and will receive competitively priced electricity from FirstEnergy Solutions.

## **Can I opt out over the phone?**

No, if you want to opt out, you must mail in your completed opt-out form and it must be postmarked by the opt out deadline.

## **Can I opt out of the program at a later date?**

Yes, you may leave the aggregation program at any time. However, you will be sent a notice at least every three years asking if you wish to enroll in the program.

## **What are my energy supply choices if I decide to opt out?**

You can stay with your current electric utility, which will continue to supply your electric generation as it always has, or you can shop for an alternative generation supplier. A list of competitive electric suppliers certified by the Public Utilities Commission of Ohio and their current prices are available by calling 1-800-686-PUCO (1-800-686-7826).

## **Can I still have my payment automatically deducted from my checking account as I do now?**

Yes. How you pay your electric bill will not change.

## **Who is FirstEnergy Solutions?**

FirstEnergy Solutions Corp., a subsidiary of FirstEnergy Corp., offers a wide range of energy and related products and services, including the generation and sale of electricity and energy planning and procurement. FirstEnergy Solutions is a leading competitive supplier of energy to residential and commercial and industrial customers in Ohio, Pennsylvania, New Jersey, Maryland, Illinois and Michigan.

## **What is the toll-free number for questions?**

If you have any questions, please call 1-866-636-3749, Monday through Friday, 8 a.m. to 5 p.m.

**FirstEnergy Solutions Corp. – Terms and Conditions**

These Terms and Conditions together with the enrollment information/opt-out notification are your agreement for electric generation service with FirstEnergy Solutions Corp. ("FES") if you choose to remain in the community aggregation program by not "opting-out" or exercising the Right of Rescission ("Agreement"). Please keep a copy of this Agreement for your records.

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

**DEFINITIONS:**

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

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

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

**Right of Rescission** – If you do not opt-out and are enrolled to receive generation service from FES, your EDU will send you a confirmation letter. You will have the right to rescind your enrollment within seven (7) calendar following the postmark date of the confirmation letter by following the instructions contained in the letter. The Right of Rescission only applies when a customer switches to a generation supplier and not on renewal enrollments. Your EDU will not send a confirmation notice upon any renewal of this Agreement. Should you choose to opt-out of your community's program, you will be served by your EDU's standard service offer established pursuant to section 4928.14 of the Ohio Revised Code unless you choose an alternate supplier of electricity.

**TERMS AND CONDITIONS OF SERVICE**

- 1. Eligibility.** Only residential customer accounts not enrolled in the Percentage of Income Plan Program (PIPP) and small commercial customers with a peak demand below 199 KW are eligible for this offer from FES. FES reserves the right to refuse enrollment to any customer with an outstanding electric bill balance.
- 2. Basic Service Prices.** During the term of this Agreement, you agree to pay FES for a total combined bypassable transmission, generation, and transmission and generation related charges. You will be billed at the fixed price per kWh as set forth in the enrollment information. FES reserves the right to unilaterally modify this billing format in the event the EDU is unable or unwilling to provide consolidated billing in this format or changes the calculation of the Price to Compare ("PTC"). Your PTC consists of bypassable transmission, generation and transmission and generation related components, which are charges associated with the costs of purchased power and the cost to deliver the power through the transmission system. These are the charges that you would avoid for that billing period when you switch to FES. In addition to FES' charges, you will be charged by your EDU for distribution and various other charges. In addition to the charges described above, if any regional transmission organization or similar entity, EDU, governmental entity or agency, NERC and other industry reliability organization, or court requires a change to the terms of the Agreement, or imposes upon Supplier new or additional charges or requirements, or a change in the method or procedure for determining charges or requirements, relating to your electric supply under this Agreement (any of the foregoing, a "Pass-Through Event"), which are not otherwise reimbursed to FES, Customer agrees that Supplier may pass through the additional cost to Supplier of such Pass-Through Event, which may be variable, to Customer. Changes may include, without limitation, transmission or capacity requirements, new or modified charges or shopping credits, and other changes to retail electric customer access programs.
- 3. Length of Agreement.** As a part of your community's program, your service from FES will commence with the next available meter reading and after processing of the enrollment by your EDU, and will continue for the term as specified in the opt-out notification, ending on the meter read for the last month of service. The program may be terminated or modified due to unforeseen regulatory action. Customer and FES agree that any such regulatory action is a force majeure event. Should the program be terminated, you will be returned to the standard service offer or its successor.
- 4. Billing.** You will receive a consolidated bill from your EDU for both your FES and EDU charges. If you do not pay your bill by the due date, FES may cancel this Agreement after giving you a minimum of fourteen (14) days written notice. Upon cancellation you will be returned to your EDU as a customer. You will remain responsible to pay FES for any electricity used before this Agreement is cancelled as well as any late payment charges. FES reserves the right to convert you from consolidated billing to dual billing if such a conversion will facilitate more timely billing, collections, and/or payment. Further, your failure to pay EDU charges may result in your electric service being disconnected in accordance with the EDU tariff. If you have 12 months of billing history and you are enrolled in budget billing with the EDU, you can enroll in a budget billing program once per year. At the end of the

contract term, you are responsible for payment of any outstanding balance upon final contract true up. FES reserves the right to adjust your monthly budget amount prior to final contract true up. If you enroll in budget billing, then choose not to be in the program or if you become two consecutive monthly payments overdue, you will be removed from budget billing, your account will be reconciled, and you will be billed for the outstanding budget balance on your next billing cycle.

- 5. Penalties, Fees and Exceptions.** Your EDU may charge a switching fee to the customer. If you do not pay the full amount owed to FES by the due date of the bill, FES may charge a 1.5% per month late payment fee.
- 6. Cancellation/Termination Provisions.** If this Agreement is not rescinded during the rescission period, enrollment will be sent to your EDU. Customers may terminate this Agreement at any time without a penalty. Upon termination with FES 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. Customer Consent and Information Release Authorization.** By choosing not to opt-out of your community's program, you understand and agree to the terms and conditions of this Agreement with FES. You authorize FES to obtain information from the EDU that includes; but is not limited to: billing history, payment history, historical and future electricity usage, meter readings, and characteristics of electricity service. FES reserves the right to determine if your credit standing is satisfactory before accepting your enrollment request. This Agreement shall be considered executed by FES following acceptance of your enrollment request by FES, the end of the 7 day rescission period and subsequent acceptance of the enrollment by your EDU.
- 8. Contract Expiration.** At the end of its term, this Agreement will expire. At least every three years, you will be given the opportunity to opt-out of your community's program at no cost. You are responsible for arranging your electric supply upon the expiration of the Agreement.
- 9. Dispute Procedures.** Contact FES with any questions concerning the terms of service by phone at 1-888-254-6359 (toll-free) M-F 8AM – 5PM EST or in writing at 341 White Pond Drive, Attn: Contract Administration, Akron, OH 44320. Our web address is [www.firstenergysolutions.com](http://www.firstenergysolutions.com). If your complaint is not resolved after you have called your electric supplier and/or your electric utility, or for general utility information, residential and business customers may contact the Public Utilities Commission of Ohio for assistance at 1-800-686-7826 (toll free) or TTY at 1-800-686-1570 (toll free) from 8:00 am to 5:00 pm weekdays or at [www.PUCO.ohio.gov](http://www.PUCO.ohio.gov).
- 10. Miscellaneous.** You have the right to request from FES, twice within a 12 month period, up to 24 months of payment history, without charge. FES is prohibited from disclosing a customer's social security number and/or account number(s) without the customer's affirmative written consent except for the FES' collections and reporting, participating in programs funded by the universal service fund, pursuant to section 4928.54 of the Revised Code, or assigning a customer's contract to another CRES provider. FES' environmental disclosure statement is available for viewing on our website – [www.firstenergysolutions.com](http://www.firstenergysolutions.com). You agree that FES will make the required quarterly updates to the statement electronically on our website. We will also provide the information upon request. FES may assign its rights to another, including any successor, in accordance with the rules and regulations of the PUCO. FES assumes no responsibility or liability for the following items that are the responsibility of the EDU: operation and maintenance of the EDU's electrical system, any interruption of service, termination of service, or deterioration of the EDU's service. In the event of a power outage, you should contact your local EDU. Customer is responsible for providing FES with accurate account information. If said information is incorrect, FES reserves the right to re-price the applicable account(s) or terminate the agreement. FES reserves the right to return any customer to the EDU if the customer's rate code or meter type is changed and the account is no longer eligible for this program.
- 11. Warranty.** FES warrants title and the right to all electricity sold hereunder. THE WARRANTIES SET FORTH IN THIS PARAGRAPH ARE EXCLUSIVE AND ARE IN LIEU OF ALL OTHER WARRANTIES, WHETHER STATUTORY, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR ARISING OUT OF ANY COURSE OF DEALING OR USAGE OF TRADE.

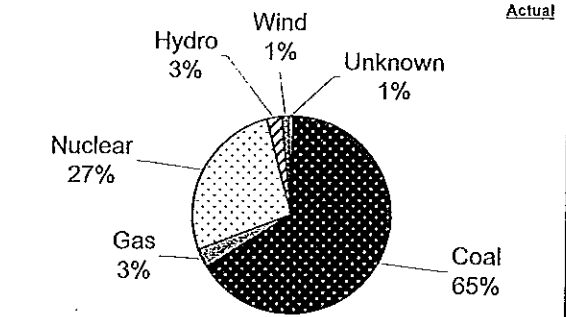
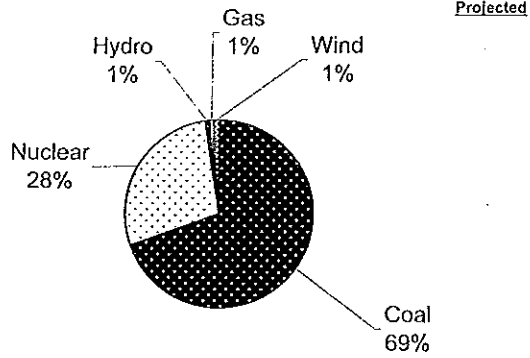
**Environmental Disclosure - Quarterly Comparison**

FirstEnergy Solutions Corp.

Projected Data for the 2013 Calendar Year

Actual Data for the Period 01/01/13 to 9/30/13

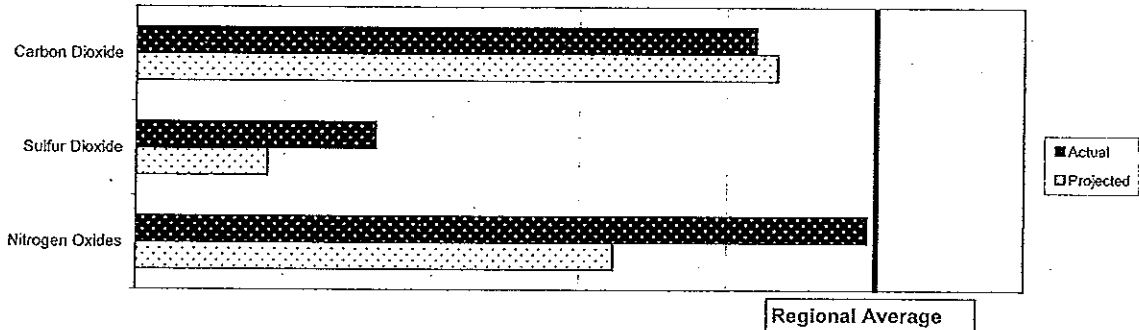
**Generation Resource Mix-**  
A comparison between the resources of generation projected to be used to generate this product and the actual resources used during this period.



**Environmental Characteristics-**  
A description of the characteristics associated with each possible generation resource.

Biomass Power	Air Emissions and Solid Waste
Coal Power	Air Emissions and Solid Waste
Hydro Power	Wildlife Impacts
Natural Gas Power	Air Emissions and Solid Waste
Nuclear Power	Radioactive Waste
Oil Power	Air Emissions and Solid Waste
Other Sources	Unknown Impacts
Solar Power	No Significant Impacts
Unknown Purchased Resources	Unknown Impacts
Wind Power	Wildlife Impacts

**Air Emissions-**  
A comparison between the air emissions related to this product and the regional average air emissions.



**Radioactive Waste-**  
Radioactive waste associated with the product

Type :	Projected Quantity:	Actual Quantity:
High-Level Radioactive Waste	0.0025	0.0020
Low-Level Radioactive Waste	0.0002	0.0002

Lbs./1,000 kWh  
Ft<sup>3</sup>/1,000 kWh

Note: The generation of this product involves the use of less than 1% projected and 1% actual Unknown Purchased Resources. The air emissions and radioactive wastes associated with these unknown resources are not included in these charts.

Renewal Energy Credits: FirstEnergy Solutions Corp. purchases renewable energy credits (RECs) as a means of complying with the renewable energy resource benchmark under the state's alternative energy portfolio standard requirements. The requirement for 2013 is 2.0% renewable, including 0.09% solar.

With in-depth analysis, the environmental characteristics of any form of electric generation will reveal benefits as well as costs. For further information, contact FirstEnergy Solutions Corp. at [www.fes.com](http://www.fes.com) or by phone at 1-888-254-6359.