

## Natural Gas Governmental Aggregation Programs Frequently Asked Questions

(Canfield Township - November 2008 Program Start Date)

### What is Governmental Natural Gas Aggregation?

Simply put, it's an entire community or group of communities joining together to form one large buying group. Elected officials act as a purchasing agent to make a natural gas offer available to their residents and small businesses. The final decision to participate always rests with the individual gas account holder.

### What are the Benefits of Gas Aggregation?

When residents form one large buying group they have more buying power. The aggregation is in a better position to negotiate favorable pricing and supply terms than what could ordinarily be achieved by any one individual resident.

### Are there different types of Aggregations?

Yes. A community may conduct an "Opt-Out" program or an "Opt-In" program. With Opt-Out programs, each eligible resident is automatically enrolled in the program unless they notify the supplier that they DO NOT wish to participate. With Opt-In programs, each resident must notify the supplier to actively enroll in the program. Opt-Out Aggregations are the most common types of aggregation programs.

### What type of Aggregation does Canfield Have?

Canfield officials wanted to make a program available this winter for the residents. Therefore, it began with a 12-month **opt-in endorsement program**. Opt-in programs are easier to establish but participation rates are lower. Current plans are to place an opt-out program issue on the May 2009 ballot. If that passes, we will seamlessly transition to an opt-out program when the opt-in program ends. If the ballot initiative fails (similar ones have passed in over 100 communities around Ohio) we will continue with another opt-in program.

### How does a community become an Aggregator?

For opt-out aggregations only, the community must first get the approval of voters to form a natural gas aggregation program. Upon a majority vote, community leaders then proceed through a series of steps to become certified as a Governmental Natural Gas Aggregator by the Public Utilities Commission of Ohio.

### How do Opt-Out Aggregations work?

With the assistance of a PUCO certified consultant, a community seeks bids from Certified Retail Natural Gas Service Providers. A qualified bidder is selected to supply the aggregation with its gas for a set period of time. An "Opt-out" notice is sent to each eligible community resident prior to the start of the aggregation. Each resident has 21 days from the postmarked date on the notice to contact the supplier to withdraw or "Opt-Out" of the program. After the 21-day period, any resident not opting out will be submitted to the utility company for enrollment in the program. The utility company will send notice of the pending enrollment to each participating resident. Each resident will then have 7 days to rescind their enrollment in the program by contacting the utility company. After the 7-day rescission period, all participating customers are officially enrolled in the program. The new supplier will appear on your natural gas bill within one to two billing cycles after enrollment is verified by the utility.

### What is our program's price for gas?

Through its bulk buying power, Canfield was able to establish a 12-month fixed rate of **\$9.29/Mcf** for the gas supply consumed during the period November 2008 – October 2009 (December '08 – November '09 billing cycles). Currently the lowest rate for individual sign ups (as reported on the PUCO's website) is \$10.85/Mcf. The price for the second year of the two-year program with IGS Energy will be set prior to October 2009. Your bill will continue to include Dominion East Ohio's distribution charge, monthly service charge, and taxes.

### Whom do I call if I have a problem with my natural gas service?

Dominion East Ohio (DEO) will continue to deliver your natural gas and maintain the pipeline system that brings it to your home or business. You will continue to call DEO 1-877-542-2630 for emergency repairs or

gas leaks. For non-emergencies such as billing questions, service turn on or turn off, call 1-800-362-7557.

### **Who is the natural gas supplier for the Township's program?**

IGS Energy with headquarters in Dublin, Ohio was selected as our endorsed supplier to serve our community's program for the next two years. IGS Energy is certified by the Public Utilities Commission of Ohio, and currently supplies customers and governmental aggregation programs across Ohio.

### **Will it cost me to join the program?**

No. Enrollment in the program is free but you will need to take action. Details will be provided on the opt-in letter sent by IGS Energy. The mailer should be received in the last week of October 2008.

### **How can I sign up for the program?**

1. Via the Internet. [www.IGSEnergy.com](http://www.IGSEnergy.com) (enter Canfield Township's promo code found on the opt-in mailer sent to your home or business.)
2. By Fax. Fax the enrollment form to IGS Energy at 1-800-584-4837.
3. By Mail. Mail the attached enrollment form to IGS Energy at the address shown on the opt-in letter.
4. By Phone: Call IGS Energy at 1-800-280-4474.

### **Is everyone eligible for the program?**

No, by law there are certain limitations on eligibility and the program is designed for residents and small businesses within the community limits. Here are the criteria for member eligibility:

1. you must not be a PIPP (percentage of income payment program) customer;
2. you must be a customer of Dominion East Ohio;
3. you must not be in arrears on your bill payment; and
4. you must not be a mercantile customer (natural gas commercial accounts using over 500 Mcf/year)

### **When does the program start?**

Customer switching takes place when meters are read. Therefore, your start date will depend on when DEO reads your meter and when you enroll. Your service from IGS Energy is expected to begin with gas flowing in November 2008 or in December (December or January bill cycle).

### **How long is the program?**

The community's governmental aggregation program can go on indefinitely. This offer from IGS Energy is for two years and will end with your November 2010 billing period.

### **Will I get two bills?**

No. For your convenience, you will continue to receive only one bill from DEO. It will show DEO's delivery charges and the supply charge amount owed IGS Energy. DEO continues to read your meter, issue monthly bills and responds to all service calls.

### **Can I remain on budget billing?**

Yes. If you are on budget billing you will remain on budget billing. (Note: DEO calculates your monthly budget amount each month by summing your total delivered gas cost on a rolling 12-month basis and dividing that total by average monthly usage in the same 12-month period.)

### **Can I exit this program without penalty?**

Yes. A very attractive feature of our program is your ability to leave free of charge at any time for any reason. After you join the program, expect to receive a confirmation notice from DEO giving you 7 days to cancel the enrollment. If you wish to remain in the program, simply ignore that letter. If you would like to choose another supplier or return to the utility company supply, notify IGS Energy at **1-800-280-4474**. If you leave the program it may take one to two utility billing cycles before the switch appears on your utility bill.

### **My friend lives in a nearby community and has a different rate from IGS than mine. Why?**

Natural gas prices are highly volatile. Market rates change often and quickly. Price differences between

communities will vary based primarily on the contract term and the dates on which pricing was secured for the community.

**Can I enroll if I do not receive an Opt-In notice?**

Yes. During the initial enrollment, any eligible resident that does not receive an Opt-In notice may contact IGS directly to enroll in the program.

**Can I enroll after the initial enrollment period?**

IGS Energy will always try to accommodate residents should they wish to enroll after the initial enrollment period. However, IGS reserves the right to decline late enrollments depending on market conditions.

**Can I enroll even if I currently purchase my gas from another supplier?**

Yes, however your supplier may charge an early termination fee. All residents should check the terms and conditions of their current contract for more information.

**What happens if I'm part of the program and I move?**

A resident moving within the same community can stay in the aggregation by providing IGS with their new address. If a resident moves out of the community or does not provide IGS their new address, their participation will end and no early termination fee will apply.

**This sounds complex is our community qualified to handle such a program?**

We have retained Independent Energy Consultants, Inc. a PUCO certified broker and aggregator of natural gas without using any taxpayer money. They have designed, implemented, and administered dozens of successful programs elsewhere in Ohio. We will have their assistance and that of IGS Energy throughout the program.

**How do I contact IGS Energy?**

IGS' customer service department is open from 8:00 am to 8:00 pm EST Monday through Friday. You may call them toll free at 1-800-280-4474 or visit their website at: [www.igsenergy.com/](http://www.igsenergy.com/)

**These FAQs help but I still have a question?**

If you have additional questions please call IGS Energy at 1-800-280-4474, weekdays, from 8:00 a.m. to 8:00 p.m. EST. For general information on natural gas deregulation in Ohio, you can also visit the Web Sites of the Ohio Consumer's Counsel ([www.pickocc.org](http://www.pickocc.org)), or the Public Utilities Commission of Ohio ([www.PUCO.ohio.gov](http://www.PUCO.ohio.gov)). **Please do not contact our offices. We are pleased to have made this program possible, but are not prepared to handle calls.**