

**CITY OF XENIA, OHIO
RESOLUTION 2018 – C**

**ADOPTING THE CITY OF XENIA’S NATURAL GAS AGGREGATION
PLAN OF OPERATION AND GOVERNANCE**

WHEREAS, in November 2005, the electorate of Xenia authorized the City to determine the best policy for the community’s residents and businesses relating to natural gas aggregation, whereby the City may aggregate eligible retail natural gas loads located within the corporate boundaries of the City and enter into service agreements for the sale and purchase of natural gas, such aggregation to occur automatically except where any person elects to opt out;

WHEREAS, the City has chosen, through the RFP process, Palmer Energy Company to provide consulting services to the City with the development and implementation of a natural gas aggregation program;

WHEREAS, the City held the required two (2) public hearings regarding natural gas aggregation on January 18, 2018, at 4pm and 6pm; and

WHEREAS, this Council desires to adopt a Plan of Operation and Governance, to be approved by PUCO, for a Natural Gas Aggregation Program for the community.

NOW, THEREFORE, THE CITY OF XENIA HEREBY RESOLVES, at least four (4) members of the City Council concurring, that:

Section 1. The City of Xenia Natural Gas Aggregation Plan of Operation and Governance is hereby adopted, as shown in the attached Exhibit A, as required by PUCO regulations.


Section 2. The City Manager is hereby authorized to execute an agreement with Palmer Energy to act as the City’s consultant in implementing and maintaining the City’s Natural Gas Aggregation Program.

Section 3. It is hereby found and determined that all formal actions of this Council concerning and relating to the passage of this Resolution were adopted in an open meeting of this Council, and that all deliberations of this Council that resulted in this formal action were in meetings open to the public in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code.

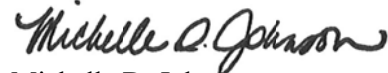
Section 4. This Resolution shall become effective upon its passage.

Introduced: January 25, 2018

Passed: February 8, 2018


Michael D. Engle
President, Xenia City Council

Attest:


Michelle D. Johnson
City Clerk

**THE CITY OF XENIA
NATURAL GAS
AGGREGATION PROGRAM**

**PLAN OF OPERATION
AND GOVERNANCE**

Adopted February 8, 2018

Purpose

The goal of the City of Xenia Natural Gas Aggregation Program (“Program”) is to facilitate additional choices for the supply of natural gas for eligible residential and commercial consumers, pursuant to Ohio Revised Code Chapter 4929.

The Program seeks to aggregate the retail natural gas loads of consumers located within the corporate boundaries of the City to obtain the lowest price for the supply of natural gas. Participation in Program is limited to individuals who are not already under contract with an alternative Competitive Retail Natural Gas Supplier (“CRNGS”).

Participation in the Program is voluntary. Every eligible customer has the opportunity to decline to be a participant in the Program (to “opt out”) and to remain with Vectren or to enter into a natural supply contract with any other competitive retail natural gas services provider (CRNGS).

Process

A municipal corporation may automatically aggregate the retail natural gas loads located within its boundaries to facilitate the sale and purchase of retail natural gas after passage of an opt-out ordinance, approved by a majority of the voters, and after the adoption of a Plan of Operation and Governance. On November 8, 2005, the City of Xenia voters granted the City the authority to automatically aggregate competitive retail natural gas service for the retail natural gas loads that are located within the corporate limits of the City, also known as “opt-out aggregation.”

In establishing this Plan of Operation and Governance (“Plan”), the City shall follow the process of automatic aggregation as set out in Ohio Revised Code (“ORC”) Section 4929.26 and the rules set out by the Public Utilities Commission of Ohio (“PUCO”). The process will entail selection of a CRNGS, mailing opt-out notices to eligible participants, generating a list of participants who did not opt out, and then transferring the participants’ purchase of retail natural gas to the chosen CRNGS.

City of Xenia Aggregation Program

The purpose of the Program is to reduce the amount participants pay for natural gas. The City will not buy and resell the natural gas for the participants of the Program. Instead, The City of Xenia and its energy consultant will competitively bid and negotiate a contract with a CRNGS to provide natural gas to the participants of the Program.

The City of Xenia will obtain the list of customers within its corporate boundaries from Vectren, either by zip code or by method provided by Vectren. The City will have its CRNGS cleanse the data to ensure that it does not contain customers with alternate suppliers, PIPP customers and any other excludable consumers, and only those who live within the jurisdictional boundaries of the City. The City will then have its CRNGS send an opt-out notice to each eligible customer that discloses the offered price for natural gas along with any applicable contract terms. The opt-out notice will clearly inform potential participants that they may opt-out of the Program during the twenty-one (21) day period following the mailing of the notification, along with instructions on how to opt-out. Customers who opt-out of the City’s Program during this initial notification period will remain with Vectren unless and until the customer chooses an alternative CRNGS or chooses to opt-in to the Program at a later date.

Operation

All necessary technical analysis, competitive procurement of services, regulatory approvals, accounting and fiscal management, contract maintenance, communications, program coordination and administrative support will be professionally provided by existing staff and an energy consultant, as well as the chosen CRNGS.

Funding

The primary expenses associated with operating the Program are printing and mailing cost of the opt-out notices, and fees for an energy consultant. Instead of paying for these costs upfront, it shall be the City's goal to have the chosen CRNGS absorb these fees into their rates offered to the Program's participants.

Notification of Customers

All eligible participants in the City of Xenia will receive opt-out information in the mail. The City of Xenia will adhere to all eligibility requirements of ORC 4929.26. Essentially, customers eligible for participation in the Program cannot be under contract to buy natural gas from an alternate CRNGS or a mercantile customer.

The opt-out notice shall clearly inform customers of the offered rate and that they have the right to opt-out of the Program within twenty-one (21) days after the mailing of the notice without paying a switching fee. The opt-out notice will fully describe how to opt-out, in accordance with PUCO's rules and regulations. After the completion of the opt-out process, the customers who did not opt out will be included as participants in the City's Program.

Customer Opt Out

Customers may opt-out of the Program, at no charge, within the twenty-one (21) day period following the mailing of the notice containing the rates and terms of the Program. Customers who return the required opt-out notice will remain customers of Vectren. The City will offer the twenty-one (21) day opt-out period, during which customers can opt-out of the Program without charge, at least every two (2) years, or as otherwise required by State law.

Customer Opt In

The City intends on having its CRNGS allow customers who move into the City to opt into the Program by calling and voluntarily signing up with the CRNGS. The City will strive to provide these new participants with a rate similar to those who had been in the Program from the beginning. Additionally, the City's CRNGS may obtain a refreshed customer list from Vectren approximately every six (6) months. The City's CRNGS may then send aggregation information to those eligible customers identified on the refreshed list. Whether this information is in opt-in or opt-out format will depend on the negotiated language of the CRNGS contract. If interim opt outs are to take place, a twenty-one (21) day opt-out will occur in the manner required by this Plan.

Disputes

The procedure for handling complaints will be in accordance with the rules set by PUCO, and will be handled by the CRNGS. Dispute resolution provisions will also be in accordance with PUCO regulations. The opt-out package will contain the telephone numbers and websites for PUCO and the Ohio Consumers Council, as well as the CRNGS's toll-free number.

The City’s CRNGS will maintain this toll free number for all customer-related questions and complaints. The City shall require that the CRNGS personnel assigned to answer these calls be trained and provided knowledge specific to the City’s Program.

Termination of the Program

The Program may be terminated at the expiration of the supply contract between the City and the CRNGS without any extension, renewal or subsequent supply contract being negotiated. In either event, the participants in the Program will return to Vectren unless and until they switch to an alternate supplier. Each individual participant receiving natural gas supply service under the City’s Program will receive notification of the termination of the Program before termination.

Rates

The City shall receive proposals from any eligible CRNGS using a competitive selection process. Bidders will be requested to provide a fixed price, floating price, a percent-off rate, or a combination of these. If Program participants will have the option of choosing between fixed and floating prices, the opt-out package will contain ample and easy to understand information to aid the consumer in deciding which option best suits his or her natural gas needs. The City will decide which pricing structure(s) to offer participants is the Program based on the bids received and an analysis of the current and projected market status.

Billing and Payment

The City will continue to have Vectren bill customers using an itemized format approved by PUCO. The City will not become involved in any payment delinquency issues, and thus will not require any type of consumer credit or deposit from participants in the Program. If the City’s CRNGS wishes to pursue payment delinquency issues, details of the CRNGS’s credit and deposit policies will be included in the opt-out package.

Vectren will continue to deliver the natural gas purchased through the Program through its natural gas distribution system. Participants with questions or concerns regarding service delivery or safety, such as a natural gas outage or gas odor should continue to contact Vectren. Meter readings and other billing questions should also continue to be directed to Vectren.

Questions or concerns regarding the Program should be directed to the CRNGS or the City, as follows:

Question or Concern	Contact	Telephone Number
Gas Odor or leaks	Vectren Delivery	1-800-227-1376
Turn on or off gas service	Vectren Delivery	1-800-227-1376
Billing Disputes	Vectren Delivery	1-800-227-1376
Enroll or opt-out of program	CRNGS	1-800-XXX-XXXX
Program Questions or Concerns	CRNGS	1-800-XXX-XXXX
Unresolved Disputes	Public Utilities Commission of Ohio	1-800-686-7826 (voice) 1-800-686-1750 (TDD)
Unresolved Disputes	Ohio Consumers Council	1-877-742-5622 or occ@occ.state.oh.us