

# Issue 13 for Natural Gas Aggregation

November 4 the residents of Pickerington will be voting on **Issue 13**, the natural gas aggregation program.

This will permit the City of Pickerington to purchase natural gas for the residents of the city with the purpose of getting a lower price from what residents are currently paying.

In Ohio, local communities are allowed to join their citizens together to buy natural gas as a group thereby gaining "buyer power" to solicit the lowest price for the group's natural gas needs. This is called Governmental Aggregation.

Aggregation is when a group of customers join together to form a single, larger customer that buys energy for its members. A large buying group may be able to get a better price for the group members than you can get on your own.

Ohio laws permit communities to form aggregated buying groups on behalf of their citizens. The governmental aggregator chooses an outside supplier for all of the customers in its group.

Communities that aggregate to buy natural gas are required to be certified by the PUCO.

The law allows for opt-in or opt-out aggregation. The voters of Pickerington will be voting to participate in the opt-out program.

An opt-out aggregation is a program that automatically enrolls all local residents, unless they individually opt-out of the program (choose not to be included). If a community chooses this form of aggregation, a number of steps are required:

- ❖ A majority of voters must authorize the opt-out program in an election.

- ❖ If authorized by a majority of the voters, the local government must form a plan of operation and management. They must also hold at least two public hearings to allow customers to voice any concerns over the proposed plan.

- ❖ Once the local government has adopted the plan, each customer to be aggregated must be notified that they will be automatically enrolled in the program unless they specifically elect

not to participate. This notification must also state the rates, charges, and other terms and conditions of enrollment in the program. The opt-out notice is usually a letter accompanied by a post card to be mailed back if you do not want to participate or sometimes, a phone number to call or web site to visit to opt-out.

- ❖ The local government must allow anyone enrolled in the program an opportunity to opt-out every two years without paying a switching fee.

Issue 13 will be discussed at the October 21, 2008 City Council meeting & any questions regarding the natural gas aggregation program can be addressed at that time.