

## **Boardman Natural Gas Program - Frequently Asked Questions**

(Updated April 2009)

### **What are we voting on in the May 5<sup>th</sup> Primary Election?**

Boardman residents are being asked to allow the Township Trustees to pursue an “opt-out natural gas aggregation program”. Opt-out programs require a ballot initiative. If passed, the Township will become certified by the PUCO as a Governmental Aggregator of natural gas like 100+ other communities across Ohio. Opt-out programs have high participation rates and with the increased bargaining power we are able to negotiate lower rates for our residents and small businesses.

### **Who is supplier for our current natural gas program?**

IGS Energy is the Township’s endorsed natural gas supplier for a two-year program that began in December 2008. There is no cost to join and participation is voluntary.

### **What will change if the ballot passes?**

If the May 5<sup>th</sup> ballot passes we will make the transition from an opt-in endorsement program to an opt-out program. The latter will include more residents and with the increased bargaining power, it may lead to even lower rates in the future. That means residents and small businesses who have not selected a natural gas marketer will be automatically added to our existing group. If they do not wish to participate they will be able to opt-out of the program.

### **What does the Township have to do after the ballot passes?**

- With the help of our consultant, Independent Energy Consultants, we will prepare a Plan of Operations and Governance that outlines our program.
- They will then lead 2 public hearings to explain the Plan to our residents.
- Our Trustees will adopt the Plan following the second public hearing.
- We will submit our Governmental Aggregator’s certification application to the PUCO and they will approve it 30 days later.
- We expect to be certified by the PUCO by mid-July and will then be able to conduct an opt-out program with IGS Energy this fall.

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

The local utility, Dominion East Ohio will continue to deliver your natural gas, read your meters, and issue your monthly bills. You will continue to call Dominion at 800-362-7557 for emergency repairs, gas leaks, billing questions, etc.

### **What rate did we set last year? What about the coming year?**

We were able to obtain a 1-year low fixed rate of \$9.29/Mcf beginning with gas flowing November 2008 (December billing). That rate was much lower than residents could obtain outside our program. The rate for year-2 will be determined at a later date and participants will receive a renewal notice from IGS Energy informing them of the same. If a customer

does not like the renewal rate, they will be free to choose another supplier or the utility's Standard Choice Offer.

**What if I'm with another supplier and would like to join the Township's program?**

You should check to see if your current supplier contract charges a penalty for early termination. If you would like to join, simply call IGS to enroll.

**Will I get two bills?**

No. You will continue to receive one bill from Dominion East Ohio that shows their transportation charges and the supply charge of IGS Energy.

**How much will I save?**

Since gas prices fluctuate constantly and offers change frequently, it is impossible for anyone to predict savings. Boardman's fixed-rate offer last year was much lower than any offer available to individual residents at the time. Energy prices have fallen with the slumping world-wide economy and we expect setting a rate that is considerably lower for year 2 of the program. That rate will be set and announced after the May Primary election and prior to the upcoming heating season.

**Will I still receive a delivery charge from my local utility – Dominion East Ohio?**

Yes. Even though you have chosen a new supplier of gas, Dominion continues to deliver the gas to our homes and businesses. They charge a transportation fee of \$2.8957/Mcf for all gas delivered and a flat monthly service charge of \$13.08. Delivery charges apply whether you choose a supplier on your own or remain supplied by Dominion.

**Am I charged tax on the gas I use?**

Yes. County sales tax is assessed on the supply charges only. The Mahoning County sales tax rate is currently 6.5%. All gas users pay their respective county sales tax regardless of supplier.

**Can I remain on budget billing?**

Yes. If you are on budget billing you will remain on budget billing. If you would like to switch to budget billing, call Dominion East Ohio at 800-362-7557.

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

Yes. We negotiated the offer to enable you to leave at any time for any reason without having to pay a cancellation charge.

**What if I move?**

Since there is no penalty from IGS for terminating your agreement there is no need to call them, unless you are moving to another Boardman address and wish to retain the offer.

**Who is eligible for the program?**

1. Your local utility company must be Dominion East Ohio;
2. You must be a resident or business owner located within the Township limits;

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

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

Residents and small businesses can call IGS toll-free at 1-800-280-4474

### **How did the Township develop such a program?**

The Township used the services of Independent Energy Consultants, Inc. a PUCO certified broker and aggregator of natural gas and electricity - without using any taxpayer money. They have designed, implemented, and administered over 40 successful programs across Ohio. We researched the process thoroughly and are pleased with the offer they negotiated.

### **Does the Township benefit from the program?**

The Township owned accounts are eligible to receive the low fixed rate from IGS Energy.

### **Will small businesses, schools and churches be eligible?**

Small commercial accounts using less than 500 Mcf/year (non mercantile) are eligible. Interested accounts using more than this amount should call IGS to obtain this rate but may be asked to sign a contract that includes a penalty if terminated early.

### **If we choose IGS Energy and decide to go back to Dominion East Ohio can they charge a higher rate than what we were previously paying?**

No. If you go back to Dominion you will be charged their Standard Choice Offer (SCO) rate. That rate varies by month.

### **Does this affect my distribution charges or the gas pipeline coming to my home?**

No. Customer Choice programs in Ohio provide residents the ability to choose a natural gas *supplier* other than the local utility company. The local utility's *delivery* charges are in addition to the supply charges. Maintenance of the pipeline coming to a resident's home continues to be the responsibility of the homeowner. Contact Dominion East Ohio if you are interested in purchasing a monthly insurance policy on the line coming to your home.

### **Where can I learn more about natural gas deregulation and assistance programs?**

The Public Utilities Commission of Ohio has approved a number of additional assistance programs to help customers with their energy bills. You may be eligible to participate in other programs and this offer from IGS Energy. Eligibility and enrollment information about the Home Energy Assistance Program (HEAP), Winter Crisis Program (WCP) and others can be found on the PUCO's website at [www.puco.ohio.gov](http://www.puco.ohio.gov).

### **Whom do I call if I still have questions about the offer?**

Contact IGS Energy M-F 8 a.m. to 5 p.m. at 1-800-280-4474. Their helpful and friendly call center staff is ready to answer your questions and take your enrollment upon request.