

Natural Gas Governmental Aggregation Programs Frequently Asked Questions

(August 2010 Program Update – Stark County Columbia Gas of Ohio Customers)

IGS Energy Phone Number: 800-280-4474

What are Governmental Natural Gas Aggregation Programs?

Governmental Aggregations allow an entire community, or groups of communities, to join together to form one large buying group. Once voters authorize an aggregation, elected officials are then permitted to shop for natural gas on behalf of their residents and small businesses.

What are the benefits of gas aggregation?

As a large buying group, residents participating in an aggregation 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.

What are the different types of aggregations?

In Ohio there are two types of aggregations. An individual community or a county 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, because they result in higher participation that usually results in lower rates.

What does a county need to do to become an Aggregator?

For starters, a county must obtain the approval of voters to form a natural gas aggregation program. County leaders are then permitted to proceed through a series of steps to become certified by the Public Utilities Commission of Ohio as a Governmental Natural Gas Aggregator.

What are the key steps in an Opt-Out Aggregation?

With the assistance of a PUCO certified consultant, a county 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 county 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.

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

Columbia Gas of Ohio (COH) 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 COH 1-800-282-0157 for emergency repairs or gas leaks. For non-emergencies such as billing questions, service turn on or turn off, call 1-800-344-4077.

Who is the natural gas supplier for the County’s program?

IGS Energy won a competitive bid process and has replaced Direct Energy as the supplier to our County’s program. The current program will run through the July 2012 bill cycle. IGS Energy is certified by the Public Utilities Commission of Ohio, and currently supplies customers and governmental aggregation programs across Ohio.

What is my price for gas?

A low 3-month fixed rate for our program begins with August 2010 gas flow and is \$0.6988/Ccf. This rate

compares very favorably to offers residents can find on their own and unlike many offers, our program has no penalty if you decide to leave early. A subsequent fixed rate will be set prior to the winter heating season.

Will it cost me to join the program?

No. Enrollment in the program is free and you need not take any action. You only need to be eligible to participate. Please refer to the eligibility criteria shown below.

Is everyone eligible for the program?

No, by law there are certain limitations on eligibility. All of the current participants in our county's program will receive a notice of the new program rates, terms and conditions and continue to be eligible. Newly eligible residents or businesses must be located within the Stark County limits. Furthermore, they must have received an opt-out notice from IGS Energy. Here are the criteria for new member eligibility:

1. You must reside in the Columbia Gas of Ohio service territory;
2. you must reside in an unincorporated Township inside Stark County;
3. you must not have already chosen a natural gas supplier on your own;
4. you must not be a PIPP (percentage of income payment program) customer;
5. you must not be in arrears on your bill payment; and
6. you must not be a mercantile customer (natural gas commercial accounts using over 5000 Ccf/year)

Will I receive anything in the mail?

Yes. IGS Energy will mail several informational packets in June 2010 to the groups of customers described below. They will explain the program rate, terms and conditions and means of enrollment.

1. An opt-out notice will be sent to residents who enrolled in the County's program via the automatic aggregation process.
2. An opt-out letter will be sent to customers who are newly eligible for automatic aggregation. These customers have not selected a supplier on their own. By law these customers supplied through Columbia Gas of Ohio's Standard Service Offer (SSO) are eligible to be automatically aggregated and added to the program. Customers in this group would need to opt-out if they do not want to participate.
3. A marketing mailer will be sent to residents who are currently supplied by other marketers. If these customers would like to participate in the community's program they will need to contact IGS Energy to enroll.
4. Direct Energy, our former supplier, will also be mailing renewal letters to customers who received Stark County's rate in the past by contacting Direct Energy. These customers will need to enroll with IGS Energy if they would like to receive the same rate as our County's program.

Is there an initial enrollment period to receive our new rate?

Yes. IGS Energy will keep the enrollment period open as long as market conditions permit for those residents and small businesses who are supplied by other marketers. We do not have a firm cutoff date as of this time. There is a 21-day opt-out period for those who are being automatically aggregated. The 21 days is from the time of the postmark on the mailer sent by IGS Energy.

How long is the program?

The county's governmental aggregation program can go on indefinitely. This latest offer from IGS Energy will end with your July 2012 billing period.

What if I receive an opt-out notice and don't want to participate?

While most residents will remain in, and benefit from governmental aggregation programs, the choice is up to you. If you do not want to participate you will have 21 days in which to return a reply card to IGS Energy or call them toll free at 1-800-280-4474. If you fail to do that, IGS Energy will continue to serve you or enroll you as a new customer. COH will acknowledge the enrollment and send you a confirmation letter reminding you of the pending switch. That letter will mention that you can cancel the switch by contacting COH within 7 days.

Will I get two bills?

No. For your convenience, you will continue to receive only one bill from COH. It will show COH's delivery charges and the supply charge amount owed IGS Energy. COH 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.

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. There are several "formal" opportunities to take yourself out of the program. First, when an offer is presented you will have 21-days to opt-out by returning a card to IGS Energy or making a toll-free phone call. If you do not opt-out, COH will then send to new members a confirmation notice giving you 7 more days to cancel the switch. Furthermore, by law, you will be able to leave without penalty at least every two years. If you would like to leave the program at any time, simply notify IGS Energy at 1-800-280-4474.

My friend lives in a nearby community and has a different rate from IGS Energy 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-Out notice?

Yes. During the initial enrollment, any eligible resident that does not receive an Opt-Out notice may contact IGS Energy directly at 800-280-4474 to enroll in the program. You may also enroll online at www.igsenergy.com by entering promo code: GEA12

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 Energy 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. Once you understand your current contract obligations, call IGS Energy at 800-280-4474 and they will provide instructions on how to make the supplier switch.

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

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

This sounds complex. Is our County 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 similar successful gas and electric programs that impact over 100 communities across Ohio. We will have their assistance and that of IGS Energy throughout the program.

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.pickkocc.org), or the Public Utilities Commission of Ohio (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.**