

Commonly Asked Questions and Answers Associated With Ballot Issue 7

Q: What is local electric aggregation?

A: Currently, your electric utility company that supplies electricity to your home purchases electricity from various power plants and other suppliers. Those costs are outlined on your current bill as generation charges or “Charges from FirstEnergy Solutions Corp”, if you are an Ohio Edison customer. The State of Ohio Legislature passed legislation that allows local governments on behalf of its retail electric users within its jurisdiction to procure and negotiate a rate with an electric generation supplier. By combining the purchasing power of many, (aggregate) the local government has more leverage with an electric generation supplier than the typical individual would have.

Q: If the ballot measure passes on November 2nd, do I have the right to not be included in the contract that my local government would negotiate?

A: Yes. Initially all retail electric users within the jurisdiction and the supplier that the local government is negotiating with will be included. There will be a 21 day opt out period should you wish to stay with your current electric generation supplier or should you wish to go with another. You will receive a letter and simple form for you to fill out to notify us whether you wish to opt out. Should you want to be part of the master agreement that the local government negotiates, you do not need to do anything.

Q: What happens if I do not send in the opt-out form?

A: If you do not return the opt-out form postmarked by the due date, you will be included in the community’s governmental aggregation program and will begin receiving competitively priced electricity from the community’s competitive electric generation supplier.

Q: How do residents join a governmental aggregation program?

A: First, the governmental aggregation issue must be placed on the ballot and then passed by a majority of the voters. Once passed, the County will accept proposals and negotiate with electric generators to obtain the best discount. Then all eligible residents and small businesses in the community will be enrolled and will begin receiving the discounted generation pricing under the program. Residents do not need to do anything to join the program. However, anyone who does not want to participate in the program can easily opt out by returning a form, which will be mailed to all eligible members.

Q: Can I opt out of the program at a later date?

A: Yes, you will be sent a notice at least every three years asking if you wish to remain in the program. At that point, you may opt out at no cost. However, if you leave the program at any other time for any reason other than moving, you might be subject to a cancellation fee from the supplier.

Q: What are my energy supply choices if I decide to opt out?

A: You can stay with your current electric utility, which will continue to supply your electricity as it always has, or you can shop for an alternative generation supplier. A list of competitive electric suppliers certified by the Public Utilities Commission of Ohio and

their current prices is available by calling 1-800-686-PUCO (1-800-686-7826).

Q: How much does the County anticipate it will save me on my electric bill?

A: The answer will vary depending upon how much electricity you use. For most residential customers the electric generation is roughly about half of your monthly bill. The other half is distribution fees. First Energy has approached Clark County with any agreement that would give a 6% discount on the generation price. That would average to a 3% discount on your monthly electric bill, however your individual results may vary depending upon your usage. You need to review your electric bill to determine how much generation costs you are incurring to determine your potential savings. However until an actual contract is negotiated there is no guarantee of savings.

Q: Is this going to be fixed price agreement like natural gas is?

A: It depends on what is negotiated and agreed upon. However assuming the County would agree to First Energy's offer, this would be a percentage discount. That means regardless of what electric prices do the customer receives a 6% discount. True as prices rise or usage rises the customer benefits more. Conversely, as prices decline or usage declines the customer benefits less.

Q: Is there a "block" of electricity that I must purchase or am limited to purchasing?

A: No. You use as much or as little electricity that you want and the discount is the same.

Q: Which customers specifically would be affected?

A: Assuming the ballot measure passes, only customers of Ohio Edison that are within unincorporated areas of the County and have not opted out.

Q: Why are Dayton Power and Light (DPL) customers not affected?

A: To date DPL has not become a deregulated utility company. DPL will in time change and become a deregulated company, such First Energy/Ohio Edison. Since DPL is not deregulated, the ballot measure does give the County the authority to approach DPL. At this time, the County has not decided what it wishes to do.

Q: OK...This seems too good to be true. Who actually wins and who actually loses?

A: Everyone wins to some degree and no one actually loses. The local government wins in as much as we are able to provide a service to citizens at minimal cost to the local government. In addition, should Clark County accept First Energy's proposal Clark County and supporting Townships would receive a one time unrestricted grant. The grant is dependent upon the total number of residents that have agreed to use First Energy as their electric generator through the electric aggregation agreement. That grant for both County and Townships is estimated to be approximately \$600,000. However, to date the County has not accept or rejected any proposals. The residential customers win in that they get a discount on their electric bills that they normally would not receive. The electrical generator wins in that they have a block of customers that they can depend upon using electricity, instead of opting to go with another generation supplier.

Q: How many more people are local governments going to have to hire to manage the program? What other hidden costs are there?

A: The County intends to hire no one else. There is not enough work there to warrant additional staffing. As for other “hidden costs” there are none.

Q: When would we see the benefits of passing issue 7?

A: Assuming issue 7 passes, the time table is set that customers should see reduced electric bills six to eight months after issue 7 is successfully passed.

Q: Who is Ohio Edison and who is First Energy?

A: First Energy is a private company that is in the business of generating and supplying electricity to other electric companies, such as Ohio Edison, for them to distribute to retail customers. Please note that Ohio Edison is a subsidiary of First Energy.

Q: What happens if the ballot issue fails?

A: If the ballot issue fails then, the local government of jurisdiction will not be permitted to aggregate. Each individual retail customer will have to pay the rate that they are billed with no discounts unless they are able to negotiate a new agreement with their current or other future vendor.