

Colerain Township

Natural Gas Aggregation Program

February 23, 2012

Dear Resident or Small Business Owner:

In order to bring the most competitive rates and innovative pricing strategies to the residents and small businesses of Colerain Township, the Board of Trustees has elected to delay offering an automatic opt-out program for the Township at this point - while natural gas prices are very low and your natural gas usage is not as significant as normal due to the mild winter weather we've been experiencing. However, Colerain Township is collaborating with our new preferred supplier, Integrys Energy Services, to offer a natural gas aggregation program for its residents and small businesses that will provide a whole new concept to Energy Choice.

The Board of Trustees of Colerain Township has decided to provide a **choice** of pricing structures for its residents. Integrys Energy Services will offer a very competitive monthly variable rate. In addition, Integrys Energy Services will offer a Locked-In Price with Flex Down OpportunitySM Rate. This pricing structure will provide a rate that is "capped" in case the market rises (you will never pay more than the capped rate), but your rate could **decrease** in the event that natural gas prices decline. This brings the price protection that many of you are requesting. Unless you choose to **opt-out** of the Colerain Township Natural Gas Aggregation Program or specifically enroll at the Integrys Monthly Variable rate, you will automatically be placed in the Locked-In Price with Flex Down OpportunitySM Rate.

WHAT DOES THIS MEAN TO YOU NOW? If you are currently enrolled in Colerain Township's Natural Gas Aggregation Program, your supply service will return to Duke Energy effective with your April 2012 bill. As an aggregation customer you *SHOULD NOT* be charged a \$4 switching fee to return to Duke Energy. Then, in early April 2012 you will receive an "opt out" letter. The Opt-out Notice will contain the rate structures of the Program, along with all of the terms and conditions of the Program for the coming year. Opt-Out letters **WILL NOT** be sent to those who are not eligible, including those Colerain Township customers who are:

- mercantile customers (using 5000 ccf/year or greater),
- in arrears to Duke Energy,
- PIPP customers of Duke Energy, or
- under contract with a retail provider (other than Duke Energy – Ohio).

Participating is easy! All eligible retail natural gas customers within the boundaries of Colerain Township will automatically be enrolled in the Colerain Program starting with your June 2012 meter reading and going through your May 2013 meter reading, unless you choose to "opt-out" of the program.

If you are currently served by a retail supplier, other than Duke Energy - Ohio, you are **not eligible** for **automatic** enrollment and **will not receive an opt-out notice** but may still join the Colerain Township Natural Gas Aggregation Program. Before committing, you should first review your current supplier contract for term length and exit fees. You may need to contact your current supplier. If, after evaluating your current contract, you decide to join the Township's Program, you should call Integrys Energy Services at **call 888-628-1945 for more information.**

We are pleased to be able to offer this program to our residents and small businesses and hope you will take advantage of it. And again, if you still have questions, please do not hesitate to call Colerain's new toll-free number, **1-888-628-1945**, for information concerning this year's Natural Gas Aggregation Program.

Sincerely,

Board of Trustees, Colerain Township