

ORDINANCE NUMBER 04-03

CITY OF CENTERVILLE, OHIO

SPONSORED BY COUNCILMEMBER Paul M. Gresham ON THE
17th DAY OF February, 2003

AN ORDINANCE TO FACILITATE COMPETITIVE
RETAIL ELECTRIC SERVICE TO PROMOTE
ELECTRICAL SAVINGS, LOWER COST
ELECTRICITY SUPPLIES AND OTHER BENEFITS FOR
CERTAIN ELECTRICITY CONSUMERS,
AUTHORIZING ALL ACTIONS NECESSARY TO
EFFECT AN ELECTRIC AGGREGATION PROGRAM
PURSUANT TO SECTION 4928.20 OF THE OHIO
REVISED CODE AND ARTICLE XVIII SECTION 4 OF
THE OHIO CONSTITUTION; DIRECTING THE
MONTGOMERY COUNTY BOARD OF ELECTIONS TO
SUBMIT A BALLOT QUESTION TO THE ELECTORS;
AND AUTHORIZING AN AGREEMENT WITH AN
AGENT FOR SUCH PURPOSES.

WHEREAS, Article XVIII Section 4 of the Ohio Constitution grants the City of Centerville (the "Municipality") certain authority related to utility service; and

WHEREAS, Pursuant to Chapter 4928 of the Ohio Revised Code, to facilitate competitive retail electric service to promote electricity savings, lower cost electric supplies, and other benefits, certain governmental entities may aggregate certain electricity consumers within their jurisdictions; and

WHEREAS, Pursuant to Section 4928.20, Revised Code, the Municipality is authorized to act as an aggregator by establishing an automatic opt-out governmental aggregation program for the provision of competitive retail electric service ("Electric Aggregation") for the benefit of certain electricity consumers within the Municipality so that the consumers may realize lower cost electricity supplies and other benefits from the aggregation and combined purchasing of electric supplies; and

WHEREAS, Electric Aggregation provides an opportunity for electricity consumers collectively to realize electric savings, lower cost electricity supplies, and other benefits that the consumers may not otherwise be able to realize individually; and

WHEREAS, In the public interest, the Municipality desires to submit to the electors of the Municipality the question of whether the Municipality should create an Electric Aggregation program to facilitate competitive retail electric service to promote electricity savings, lower cost electric supplies, and other benefits in accordance with Section 4928.20, Revised Code; and

WHEREAS, The Municipality has adopted this Ordinance pursuant to the authority conferred by Article XVIII Section 4 of the Ohio Constitution and Section 4928.20, Revised Code.

NOW THEREFORE, THE MUNICIPALITY OF CENTERVILLE HEREBY ORDAINS THAT:

SECTION 1. This Council finds and determines that to facilitate competitive retail electric service to promote electric savings, lower cost electricity supplies, and other benefits, it is in the best interest of the Municipality and certain electricity consumers within the jurisdiction of the Municipality to establish an Electric Aggregation program in the Municipality pursuant to Section 4928.20, Revised Code. Provided that this Ordinance and Electric Aggregation program is approved by the electors of the Municipality in accordance with this Ordinance, the Municipality is hereby authorized to take all actions necessary to effect an Electric Aggregation program pursuant to Section 4928.20, Revised Code. The Municipality may exercise this authority jointly with other entities to the full extent permitted by law. Further, for such purposes, the City Manager of the Municipality is hereby authorized to execute and deliver an agreement with a to be named agent ("Agent") to assist the Municipality as its consultant and agent to effect the Electric Aggregation program. Actions necessary to effect the Electric Aggregation program include determining and entering into service agreement(s) with suppliers to facilitate the sale and purchase of all electricity, competitive retail electric services, and retail electric generation to serve the enrolled consumers, the Municipality shall be authorized by the electors to be the only entity authorized to act for and on behalf of the enrolled electric consumers to determine and select the provider(s) to supply the Electric Aggregation program and the enrolled consumers.

SECTION 2. The Electric Aggregation program shall not apply to persons that are not eligible pursuant to Rules and/or Orders of the Public Utilities Commission of Ohio ("Commission") or not eligible pursuant to the adopted plan of operations and governance ("Plan") for the Electric Aggregation program.

SECTION 3. The Board of Elections of Montgomery County is hereby directed to submit the following question to the electors of the Municipality at the primary election on May 6, 2003:

To facilitate competitive retail electric service to promote electric savings, lower cost electricity supplies, and other benefits, shall the City of Centerville have the authority to aggregate retail electrical loads and enter into service agreements for the sale and purchase of electricity and other services, such aggregation to occur automatically unless any person

affirmatively elects not to be enrolled by a stated procedure?

FOR, the City of Centerville to facilitate competitive retail electric service to promote electricity savings and other benefits by acting as an aggregator.

NOT FOR, the City of Centerville to facilitate competitive retail electric service to promote electricity savings and other benefits by acting as an aggregator.

The Clerk of this Council is instructed to file a certified copy of this Ordinance and the proposed form of the ballot question with the Montgomery County Board of Elections not later than February 20, 2003, which is seventy-five (75) days prior to May 6, 2003. The Electric Aggregation program shall not take effect unless approved by a majority of the electors voting upon the proposed ballot question at the election held in accordance with this Ordinance and Section 4928.20, Revised Code. Upon approval, the Electric Aggregation shall take effect at the earliest permissible point in time and continue thereafter in accordance with Section 4928.20, Revised Code, and other requirements of Chapter 4928, Revised Code.

SECTION 4. Upon approval by a majority of the electors voting at the election provided for in this Ordinance, the Municipality shall develop and adopt a Plan of operations and governance for the Electric Aggregation program. Before adopting such Plan, at least two public hearings on the Plan shall be held. Before the first hearing, notice of the first hearing shall be published once a week for two consecutive weeks in a newspaper of general circulation in the Municipality. The notice shall summarize the Plan and state the date, time, and location of each hearing. Consumers enrolled in the Electric Aggregation program shall be supplied their electrical requirements and other services in accordance with supply agreement(s) determined and arranged by the Municipality, as opportunities become available to provide benefits to consumers. The Municipality shall be authorized by the electors to be the only entity authorized to act for and on behalf of the consumers that have enrolled in the Electric Aggregation program to determine and select the supplier(s) to provide the electricity and all other services for the Electric Aggregation program.

SECTION 5. The adopted Plan shall not aggregate any retail electrical load within the Municipality, unless the person whose electrical load is to be so aggregated is notified in advance that the person will be enrolled automatically in the Electric Aggregation program and shall remain so enrolled, unless the person affirmatively elects not to be so enrolled by a stated procedure. The disclosure shall state the rates, charges, and other terms and conditions of the enrollment. Once enrolled the consumer may only opt-out of the Electric Aggregation program every two years without paying a switching fee. Any such person that opts-out of the Electric Aggregation program shall default to the standard offer service of the person's electric distribution utility, until the person chooses an alternative supplier.

SECTION 6. That the Montgomery County Board of Elections shall cause an appropriate notice to be duly given of the election to be held on May 6, 2003 on the foregoing proposal and otherwise to provide for such election in the manner provided by the laws of the State of Ohio.

SECTION 7. This Council finds and determines that all formal actions of this Council concerning and relating to the adoption of this Ordinance were taken in an open meeting of this Council and that all deliberations of this Council and any of its committees that resulted in those formal actions were in compliance with the law.

SECTION 8. This Ordinance shall become effective at the earliest date allowed by law.

PASSED this 17th day of February, 2003.

Approved: Sally D. Beals
Mayor

ATTEST: Marie J. Saughel
Clerk of Council

CERTIFICATE

The undersigned, Clerk of the Council of the City of Centerville, Ohio, hereby certifies that the foregoing is a true and correct copy of Ordinance Number 04-03, passed by the Council of the City of Centerville, Ohio, on the 17th day of February, 2003.

Marie J. Saughel
Clerk of Council

Approved as to form, consistency
with existing Ordinances, the Charter
and Constitutional Provisions.

Department of Law
Robert N. Farquhar
Municipal Attorney