

December 12, 2011

To: Budget and Finance Committee Members
From: Milton Dohoney, Jr., City Manager
Subject: Electricity and Natural Gas Aggregation Process and Timeline

Reference Doc. #201101423

At its November 30, 2011 meeting, the Budget and Finance Committee referred the following item for report:

MOTION, dated 11/21/2011 submitted by Vice Mayor Qualls, Councilmembers Young, Quinlivan, Thomas and Winburn that the administration report to Council by December 9, 2011 on the process and timeline for the City moving forward with electric and natural gas opt-out aggregation.

The Administration has formulated the following optimistic and aggressive timeline to implement the gas and electric aggregation process, as set forth by state law. Please note that this timeline is intended only as a reference, and that future unforeseen circumstances may require dates to be altered. If there is a change required to the proposed timeline, the Administration will advise Council promptly.

Step 1 – Develop an Operation and Governance Plan

Target Completion Date: January 13, 2012

The Administration is working with outside legal counsel to develop the Operation and Governance Plan. The Plan will describe how the aggregation program will work, including information related to services, rates, eligibility, opt-out procedures, billing, etc.

Step 2 - Adopt the Plan

Target Completion Date: February 15, 2012

Council must pass an ordinance to adopt the Plan. Prior to adoption, Council must hold two public hearings to give residents a chance to comment on the plan.

Step 3 – Send out Requests for Proposals

Target Completion Date: February 20, 2012

A competitive bidding process will be used to choose a supplier for electricity and/or gas for the aggregation program.

Step 4 – PUCO must certify the Plan

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Target Completion Date: March 16, 2012

Review and approval of the Plan by the Public Utilities Commission of Ohio (PUCO) is anticipated to take 1 month.

Step 5 – Choose a Provider

Target Completion Date: March 31, 2012

A screening committee will analyze responses to the requests for proposals and recommend to the City Manager a supplier.

Step 6 – Notify Residents/Offer Opt-Out

Target Completion Date: April 26, 2012

The City will notify residents about the terms of the aggregation contract and how the program will work, including how residents may opt out.

Step 7 – Enrollment

Target Completion Date: May 15, 2012

Duke Energy will provide a list of customers who are eligible for aggregation. Residents who are under contract with a Certified Retail Electric or a Competitive Natural Gas supplier at the time Duke prepares this list will not be eligible to participate in the aggregation program until their contracts expire, or are otherwise terminated. Other customers may also be ineligible, including those who are delinquent on their electric bill or gas bill payments, and those enrolled in a Percent of Income Payment Plan. Customers on the list provided by Duke, minus those who opt out, will be enrolled in the aggregation program.

Step 8 – Switching Suppliers

Target Completion Date: June 1, 2012

The switch becomes effective with the beginning of the next billing cycle for each resident.

The City Administration recommends approval of this report.

cc: Scott Stiles, Assistant City Manager
John P. Curp, City Solicitor