

## **NOAC Government Aggregation Natural Gas Program**

The NOAC communities participating in the government aggregation (e.g. Lucas County, Toledo, Ottawa Hills, Sylvania, Holland, Maumee, Perrysburg, Lake Twp, Northwood, Oregon) issued an RFP through Palmer Energy to secure the best pricing with the goal of being lower than the Columbia Gas SCO (Standard Choice Offer) Rate. Volunteer Energy offered a competitive rate lower than the SCO price. Since the inception of the gas aggregation program the participating customers in the NOAC communities have saved over \$15 million.

**Supplier:** Volunteer Energy      **Term:** December 2015 through April 2017

**Program Review:** This is an Opt-Out Program. In an opt out aggregation the customer is sent a letter; if they do not do anything they are included in the aggregation. To stay out of the aggregation, the customer must notify the supplier that they do not want to participate by the date noted. If a customer wants to opt-in to the program from another program they have contracted with, they should call Volunteer Energy @ 1-800-977-8374. They should be clear they want to participate in the NOAC / City of Sylvania government aggregation. Also those opting into the program, should check the terms of any existing supply contracts.

**Initial Rate:** The price from Volunteer is 10% lower than the SCO (Standard Choice Offer) adder through March 2016. The current SCO adder is \$0.129 per CCF.

**Example:** Your natural gas supply rate consists of two components - the basis (adder) rate and commodity (natural gas) price. Columbia's October 2015 SCO rate was \$0.385 per CCF. The breakdown for the Columbia SCO rate is commodity costs of \$0.256 per CCF and an adder of \$0.129 per CCF. With a 10% discount off the SCO adder, NOAC government aggregation rate would be \$0.116 per CCF + the commodity rate of \$0.256 (this could vary due to BTU conversion calculation) for a total estimated rate of \$0.372.

**Future Rate:** Volunteer Energy has guaranteed that participants will not pay more than the Columbia Gas SCO rate for the 13 remaining months (April 2016 – April 2017) of the term. The new adder starting in April 2016 and ending April 2017 will not be determined until late January or early February. While future savings beyond March 2016 are not guaranteed, Volunteer has been able to offer pricing below the Columbia Gas offer since the inception of natural gas governmental aggregation in Ohio (2002).

### **Notes:**

-There are no termination fees to leave the government aggregation program.

-Customers who are already buying through a contract will not receive a letter or notice. State Law forbids an opt out letter being sent to them. If they want to participate they can opt in but each customer should check their current agreement to determine if they have any termination fees.

-Customers with annual usage in excess of 500 MCF per year at one location are considered "mercantile" customers per State Law and are also not eligible to get letters.

-Palmer is always available to answer your and/or residents questions regarding the program. Andrea Flowers 419-539-9180 x100

### **Supplier Offers:**

-There are multiple suppliers that serve the Columbia Gas service area. The PUCO (Public Utilities Commission of Ohio) provides a breakdown of monthly offers from various suppliers.

-There will be both fixed and variable rate offers. Fixed is a locked price for the term noted. Variable rate options will change each month and are typically market based rates.

Pay attention to terms of agreement specifically renewal policy & termination fees.