

NATURAL GAS SUPPLY AGGREGATION ISSUE ON NOVEMBER BALLOT

Village Council has placed a referendum on the November 4, 2008 ballot to determine whether the Village of Indian Hill can act as an aggregator on behalf of all Village residents.

It is important to note that a positive vote in November will authorize the Village of Indian Hill to act as an aggregator on behalf of all residents, unless they choose to opt out of the program. Council and the Village administration will keep residents informed about the ballot and the probable Village actions when the ballot issue is approved. Residents are encouraged to carefully review any informational literature they receive on the subject and make an informed decision on whether to participate in the aggregation program or to opt out and pursue other alternatives.

Indian Hill and Energy Alliances/Integrysts are currently working together on a similar customized program for residents. It provides participants reliable rates and the security of knowing their price ahead of time.

Participating Community	Duration	Total Savings	# Participants	Avg. Savings/ Participant
Green Township	6 months	\$662,718	10,742	\$61.69
Cheviot	9 months	\$82,257	1,742	\$47.22
Indian Hill	6 months	\$30,964	307	\$100.86

Indian Hill, like the nearby communities of Cheviot and Green Township, selected a program that gave customers a locked-in price maximum along with the opportunity for the price to go lower if market prices drop. Customers still receive a single bill from Duke Energy and make a single payment, but are no longer limited to just a monthly variable price. Despite a sudden jump in natural gas prices earlier in the year, residents of Indian Hill, Cheviot and Green Township are saving money. Savings can be substantial, as the chart illustrates. Residents have enjoyed stabilized natural gas prices with the knowledge their rates are protected from rising prices.

Aggregation programs are very appealing because they are developed through teamwork with the community. Village Council has placed the “opt-out” natural gas aggregation program, which is currently used by both Cheviot and Green Township, on the ballot to improve residents’ opportunity for participation over the existing program in the community.

Any questions about the aggregation proposal or Council’s consideration of the ordinance placing the issue on the November ballot may be directed to Michael W. Burns, City Manager, at 561-6500.

What is Natural Gas Aggregation (Opt-Out)

- Provides another choice for energy costs
- Allows residents and very small businesses to band together to buy in bulk
- Combines the benefit of a community negotiated rate with easy enrollment
- Consumers are not “forced” into any rate structure – they can choose to opt-out of the program if they don’t want to participate
- Takes advantage of the expertise of the supplier in purchasing energy
- Buying strategy can bring price stability and price protection to a consumer – options that are not available at the utility level
- Process is seamless to the resident
 - Continue to receive one bill from Duke Energy
 - Special programs offered by Duke Energy remain in effect (budget billing, automatic payment plan, HEAP, etc.)
 - Service remains exactly the same from Duke Energy. Problems and repairs such as gas leaks, etc. are reported to Duke Energy.
 - Only change is the price of the gas (commodity) itself

For additional information visit:

www.buygastgether.org