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APRIL 26, 2012**

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## **Cincinnati Becomes First Major City to Offer 100% Green Electricity to Residents**

*Cincinnati Negotiates Better Electricity Prices for Customers*

Cincinnati will be the first major city in America to choose a 100% “green” electricity supply for its eligible residents and small businesses while saving as many as 53,000 households money through the City’s Government Aggregation Program.

The City has selected First Energy Solutions (FES) as the City’s new electricity provider through an aggregation process in which the City represents all eligible individual customers as one larger buying unit to negotiate a lower price on electricity. Specifically, Cincinnati is collectively becoming a giant consumer to whom the green energy market can sell.

FES’s selection will save the average eligible household approximately \$133 per year on their electricity bills. Energy aggregation was proposed by City Council and approved by voters in November 2011.

City Manager Milton Dohoney, Jr. selected First Energy from seven proposals submitted in response to a Request for Proposals (RFP).

“I went into the decision-making process with no pre-determined outcomes in mind,” said Dohoney. “This process provided the opportunity to promote renewable energy, and places Cincinnati as a national leader, at the forefront of green energy in this country. That is where we want Cincinnati to be.”

FES offers that a portion of its green product will come from local sources, namely Renewable Energy Credits produced by the renewable fuel used to power, in part, the University of Cincinnati’s generating facility and solar credits generated from the Cincinnati Zoo Solar canopy project.

### **Next Steps**

Over the next several weeks, the City will negotiate a contract with FES.

Customers will be receiving a packet of information from First Energy Solutions with information about the aggregation program.

The City’s program is an “opt-out” program, which means that eligible customers are notified by First Energy, and must decline if they do not want to participate. If they do nothing upon notification, they will be included in the aggregate customer base, and realize the savings the City has negotiated on their behalf. Participating customers will be given the opportunity every three years after initial service

to opt-out. If customers do choose to “opt-out,” they may choose another competing supplier, or continue to receive electric supply from Duke Energy-Ohio at the standard service offer rate.

If a customer does have a contract with another electricity provider, and wishes to become part of the City’s aggregation program, they should review the provisions of the contract to determine their options, as the terms of each contract can vary. If customers sign contracts for a provider other than FES in the meantime, they will not be eligible for the rates the City has negotiated.

There is no cost for enrollment in the program with FES for eligible customers.

Not every household or business in the City is eligible to participate in aggregation. Households must be current in their payments to their current electricity provider, and may not be Percentage of Income Payment Plan (PIPP) customers. Small businesses are eligible only if they use less than 700,000 kilowatt hours/year of electricity.

All First Energy customers will continue to receive their energy bills from Duke Energy.

After voters passed a ballot measure approving aggregation in November 2011, the City issued a Request for Proposals (RFP) and received seven responses. The RFP requested a percentage discount off of the then Duke Energy Standard Service Offer for a 24-month period. The chart below shows the City’s calculation of estimated **annual** savings for eligible households over a 24-month period based on those proposals.

Proposer	Est Savings per household	
	24 mo Conventional	24 mo 100% Green
DPL Energy Resources	\$ 127.68	\$ 110.88
Duke Energy Retail Sales	\$ 31.84	\$ 26.05
Constellation NewEnergy	\$ 143.62	\$ 132.10
First Energy Solutions	\$ 156.30	\$ 133.14
AEP Retail	\$ 85.85	\$ 74.25
Direct Energy	\$ 104.64	\$ (24.96)
Cin Bell Energy	\$ 91.20	\$ 84.48

### Company Background

FES has supplied electricity to governmental aggregation programs in 460 communities, representing 1,400,000 residential and small commercial accounts, over a period of more than 10 years. Importantly, this experience includes four programs within the Duke’s Ohio service territory, as well as 129 communities participating in the aggregation program of the Northeast Ohio Public Energy Council (NOPEC).

In addition, First Energy’s proposal included an offer to work with the City to structure and provide applicable energy kits, energy efficient programs and education seminars at community events to enhance programs.

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