

Request for Qualifications for Governmental Aggregation of
Eligible Residential and Small Commercial Electric and
Natural Gas Customers in DP&L and Vectren/Dominion Utility
Territories

Issued by:



Issue Date: August 22, 2016

Response Date: September 6, 2016

As the consultant of record for, and on behalf of the Cities/Villages/Townships/Counties represented by Supernova Partners, LLC, Affordable Gas & Electric Company, LLC (AGE) (Ohio Licenses 13-709E (2) and 13-320G (2)), we invite PUCO Certified Retail Electric Suppliers and Natural Gas Suppliers to submit qualifications necessary to bid on the electric supply load and natural gas supply of our collective communities.

The qualifications of each Supplier will be reviewed and an approved list of suppliers will be issued a Request for Proposal (RFP), based on the Plan of Operation and Governance for each commodity. Suppliers approved to receive an RFP will be provided with load data for the respective commodities after each community is officially registered as a Government Aggregator.

Background

The cities of Bellefontaine and Greenville, Unincorporated Shelby County; Newberry Township; Villages of Anna, Ansonia, Belle Center, Covington, Degraff, Quincy, St Paris, Wayne Lakes and West Milton have approved ordinances to allow for aggregation referendums to be placed on the November 2016 ballot. The purpose of the referendum is to allow the government aggregator to obtain electric and natural gas cost savings and a reliable source of supply for its constituents by aggregating all eligible residential and small commercial retail accounts under Ohio's electricity and natural gas aggregation laws ("Act").

AGE is seeking a supplier for electric and natural gas supply and a turnkey program that will include all the aggregation services needed to meet the requirements of PUCO and the Act. Such services shall include, but are not limited to the following: Governance Plan development assistance, assistance in applying for certification, administration of the opt-out process, provisions for a toll-free call center to handle customer calls, attendance at public meetings as needed and filing of all required reports. The cost for these services shall be included in the pricing offered.

AGE will be combining the electricity and natural gas load of those communities who approve the ballot referendum as a single unit for the purposes of pricing. Additionally, AGE will assist in the municipalities' efforts to select the supplier offering the most beneficial bid for the entire group. Given that we may be seeking pricing for both electricity and natural gas, it is feasible that each commodity may be awarded to a different supplier. Bids for electricity and natural gas will come under separate RFP's.

Supplier Overview

Company Name: Interstate Gas Supply, Inc. dba IGS Energy

Principal Address: 6100 Emerald Parkway, Dublin, OH 43016

Proposal Contact Person: Yoni Zofan

Contact Phone: 614-659-5105

Contact Fax: 614-659-5125

Contact Email: yzofan@igsenergy.com

Business Type (C-Corp, S-Corp, Partnership, etc.): S-Corp

Name of Parent Company (if any): NA

Do you have an Ohio Office? Yes X No

Company Website: www.igsenergy.com

Describe your company's organizational structure including parent, affiliate and subsidiary companies.
IGS Energy is a privately owned S-Corp

Please indicate any and all physical electric generation assets that are owned and or controlled by your company. Indicate whether ownership and or control are within your organization or a parent company. IGS Energy does not own any physical generation assets

Indicate how many years you have been in the electric supply business. List all states in which you are currently licensed to supply electricity generation and natural gas (if applicable) and indicate approximate volume of sales. Formally, IGS Energy began selling electricity in 2011, but Accent Energy has been selling electricity since 2003. Effective January 1, 2011, Accent Energy, a partner company, was acquired by ownership common to IGS Energy.

Please indicate the number of residential accounts currently served respectively through municipal electric aggregation and natural gas aggregation programs. Preference may be given to suppliers with significant previous municipal aggregation experience. IGS Energy, having served Aggregation customers in Ohio for more than a decade, is one of the leading aggregation suppliers in the country. IGS Energy currently serves 34 electric aggregations (approximately 40,000 customers) and 45 natural gas aggregations (approximately 130,000 customers). Previous aggregations include NOPEC and NOAC.

Please indicate from where the generation needed to serve our electricity load will be provided. Indicate whether the transmission agreements needed are in place to deliver the power. IGS Energy will provide energy to serve the aggregation customer load procuring wholesale power at the appropriate PJM delivery zone from our approved wholesale suppliers. Load increases and decreases will be balanced on the PJM Day Ahead and Real Time Balancing Markets. Balancing supplies will be

procured from both approved wholesale suppliers and directly from PJM. IGS Energy is a PJM Member and holds the requisite agreements to provide electricity to the aggregation.

If an affiliate, do you have the Parental Guarantee from the Parent Company that is sufficient to cover the exposure of your portfolio with this buying group added? Yes _____ No _____

What is the rating of your Company's or your Parent Company's long-term unsecured debt?
IGS Energy does not have any long-term unsecured debt.

Moody _____ S&P _____

Has the organization filed for bankruptcy in the past 3 years? Yes _____ No X _____

Has the organization been subject to litigation for failure to supply contracted electricity within the past 3 years? Yes _____ No X _____ (If yes, please explain)

If requested, would supplier be prepared to provide its most recent annual report or audited financial statements? Yes X _____ No _____

PUCO Certification Number(s): 11-403E(3)

What year did Company begin selling electricity to residential retail customers? Formally, IGS Energy began selling electricity in 2011, but Accent Energy has been selling electricity since 2003. Effective January 1, 2011, Accent Energy, a partner company, was acquired by ownership common to IGS Energy.

What year did Company begin selling natural gas to retail customers? IGS Energy began selling natural gas to retail Choice customers at the inception of the Choice Program in Ohio in 1998. For the ten years prior, IGS Energy sold natural gas to Industrial users.

List any Governmental Aggregation Opt-Out Programs you have served or are currently serving.

Previously Served: NOPEC, Kettering, Moraine, Centerville, Miamisburg, Oakwood, Germantown, West Chester, Colerain Twp, Euclid, Dublin, Gahanna, Upper Arlington, Reynoldsburg, Hilliard, Bexley, Grandview, NOAC and other cities, townships, villages and counties

Currently Serving: Stark County, Shaker Heights, Cuyahoga Falls, Greene County, Bowling Green, Hamilton, Mt. Healthy, Massillon, Salem, Wadsworth, Dover, Boardman Township, Fairfield County, Poland Township, Canfield Township, Twinsburg, Austintown Township, Celina, St. Marys, Kenton, Berlin Township, Broadview Heights, and other cities, villages, townships, and counties.

In DP&L territory, please provide:

Mwh quantity your company serves under government aggregation: approx.. 333,000 mWh annually

Number of Customers service under government aggregation: approximately 30,000

For other electric utility territories:

Mwh quantity your company serves under government aggregation: approx. 542,000 mWh annually

Number of Customers service under government aggregation: approx. 62,000

For Vectren territory and for Dominion Gas territory, please provide:

Total Mcf natural gas volume your company serves under the government aggregation: Dominion: ~10,000,000 MCF annually; Vectren: ~85,000 MCF annually

Total natural gas customers your company serves under the government aggregation: ~115,000

Briefly describe your company's qualifications to deliver electricity and natural gas to a diverse mix of customers aggregated in a retail environment.

IGS Energy serves 1 million customers natural gas and electric in a territory spanning 11 states and 44 utilities. Including our Commercial and Industrial book, we serve more than 1,800,000 Residential Customer Equivalents. We have been serving aggregation customers for more than a decade and have vast experiences in the idiosyncrasies that come with serving and servicing aggregations. We currently serve aggregations as large as 50,000 plus customers and have previously served NOPEC, a 250,000 customer aggregation. We are one of the leading energy suppliers in the country and are uniquely suited to be an aggregations dual commodity supplier for both its natural gas and electricity.

If you do not intend to use your own generation, explain how your power will be sourced and your qualifications for trading electric contracts in the market.

IGS Energy will provide energy to serve the aggregation customer load procuring wholesale power at the appropriate PJM Delivery Zone from our approved wholesale suppliers. Load increases and decreases will be balanced in the PJM Day Ahead and Real Time Balancing Markets. Balancing supplies will be procured from both approved wholesale suppliers and directly from PJM. IGS Energy is a PJM Member and holds the requisite agreements to provide electricity to the aggregation.

Explain the customer service aspects for answering questions regarding the implementation of the winning bid.

For Opt-Out questions:

Opt-Out customers will receive an opt-out package with all the details of the aggregation program. Any questions will be directed to our in-house contact center in Dublin, Ohio. Our agents undergo special training on aggregation programs so as to make the aggregation seamless, yet insightful for the customer.

For customers currently on competitive supply: IGS Energy has extensive experience in allowing residents and commercial accounts deemed not eligible for aggregation to participate in the benefits of an aggregation program. IGS Energy offers complementary products reflecting the same price, term, and cancellation fee as the aggregation. Such offers are often mailed simultaneously with the opt-out notice. Additionally, IGS Energy's Commercial and Industrial Sales Division offers custom pricing to larger commercial customers. IGS Energy has Commercial and Industrial Sales Representatives living in Chicago to meet with these customers as needed

Others: Commercial accounts in the aggregation program whose usage exceeds the state rules for aggregation can also receive pricing through our Commercial and Industrial Sales department. Custom pricing specific to that customer's usage and pricing preferences are tailored to meet the specific needs of each of these customers. These customers would work with a specific sales representative and therefore not contact our call center for service.

Explain your process used to scrub customer data so as to only include eligible customers with the City/Village/County limits.

IGS geocodes every address provided either by the utility or from an external data source and also geocodes the boundary of the community. We cross reference these geocoded maps and arrive at a reliable listing of addresses to mail and exclude from mailings. To ensure maximum accuracy, we review our scrubbing results with the Community prior to sending any mailing. Our processes are time tested and proven. Feedback from other aggregation consultants suggests are processes rank very high amongst all competitors.

Financial Overview

Describe any financial assurances intended to financially back your obligations to supply retail electric generation services.

IGS Energy is willing to provide an assurance of performance in a form and amount reasonably calculated to reflect the risks associated with the full delivery requirements inherent in a municipal aggregation program.

Customer Service Information

Please provide the name, telephone and email address of the person to contact regarding a request for proposal.

Yoni Zofan handles all aggregation RFP's and can be reached by phone at 614-659-5105 or email at yzofan@igsenergy.com

Will this contact be the person directly responsible for the City/Village/County's account?

Yes No (If no, please indicate contact information for the account)

If a resident calls with questions regarding municipal aggregation, even though it may be a billing question, how are those calls handled at the supplier level?

Such calls are handled by our in-house call center which consists of 80 employees and is open 6 days a week. We have dedicated call routing for aggregations and specially trained agents that field those toll free calls.

Litigations and Defaults

Describe any and all investigations, indictments, or pending litigation by any federal, state, or local jurisdiction relating to the submitting entity, any officer, director, partner, or member of any affiliate or company. None

List all civil penalties, judgments, consent decrees, and other sanctions within the last five years, as a result of any violation of any law, rule, regulation, or ordinance in connection with any business activities relating to the submitting entity, any officer, director, partner, or member of any affiliate or related entity. None

Describe, in detail, any situation in which your company (either alone or in a joint venture), or a subsidiary of your company, defaulted or was deemed to be in noncompliance of your contractual obligations to deliver energy or other ancillary customer service. Explain the situation, its outcome and all other relevant facts. None

References

Please provide 3 aggregation community references. Include the name, contact person and phone number of each community. Briefly describe the product or service provided to each community.

IGS Energy has been serving aggregations for more than 10 years. The following references are three brokers with whom IGS Energy conducts aggregations.

Company Name	Contact Name	Position	Phone Number	Dates Served
AMPO, Inc.	Chris Easton	V.P. Business Ops	614-540-0858	10+ years
Independent Energy Consultants, Inc.	Mark Burns	President	330-995-2675	8 years
Palmer Energy Company	Mark Frye	President	419-539-9180	10+ years

Billing and Reporting Information

Will billing and payment, as well as all primary customer service functions be handled by DP&L, Vectren & Dominion? Yes X No _____ (If no, please explain)

Pricing Options, Products and Services

With our referendum on the ballot in November, 2016 and assuming all Rules of Governance and Operation are in place and a final request for pricing is soon after certification of election results, do you see your company being able to implement a rate prior to February/March, 2017?

Yes X No _____

For optimal pricing to the customer, what would you generally see as the most effective length of contract assuming a February/March, 2017 start date? For electricity, the most effective price terms end with a May billing period to align with a PJM power year. Currently, the best pricing for most electricity markets in Ohio extend through May of 2018, but the term of any contract should only extend as far as the risk tolerance of the Community.

Is your company able to provide fixed, all inclusive (including energy, capacity, transmission and distribution losses, RPA charges, imbalances, load factor adjustments, congestion charges, ancillary services, and applicable taxes) price quotes for electricity supply for 12, 24 and 36 months as well as variations in between for residential and small commercial customers as defined by the "Act"? IGS Energy is prepared to offer all inclusive pricing. While price offerings are all-inclusive, we will maintain language that accounts for unforeseen regulatory events that may materially impact the cost to serve electricity.

Pricing Guarantee for Electricity: If the rates for Tariff Service to a particular rate class are set below the selected winning bid during the term of this agreement, will your company provide the services to participating customers in such rate class at a price equal to the rate for Tariff Service or, after taking all steps necessary under the terms of our agreement, terminate the agreement and return all participating customers to their applicable LDCs? Yes _____ No X If yes, please provide sample language or contract terms for such Price Match Guarantee.

Is your company able to provide fixed, all inclusive natural gas price quotes for 12, 24 and 36 months as well as variations in between for residential and small commercial customers as defined by the "Act"? Yes

Which pricing options will you be able to quote: (check all that apply)

Fixed Price: X

Variable Price: X

Percent off utility's avoidable cost pricing: _____

Percent off total delivered price: _____

Other? Explain _____

A consultant fee payable by the selected supplier on a monthly basis is required. The fee amount is \$0.00075/kWh and \$0.005/therm. Only suppliers agreeing to the consultant fee are eligible to bid. This is a rate equal to the rate specified in our Consulting Services Agreement with each of the communities we represent.

Identify value added products and services that you would offer. If there is additional value unrelated to products and services, such as rebates and/or incentives, describe what they might be and how the City/Village/County might benefit.

IGS Energy offers its most competitive rates up front. As such, our standard aggregation bid includes no civic grants. We are however amenable to discussing a civic grant for the community and would adjust pricing for the aggregation accordingly.

Describe demand management and energy efficiency services to be provided to each class of customers. IGS Energy participates in demand response for commercial and industrial customers and is set up as a Curtailment Service Provider in PJM. While we do not currently offer demand response to residential customers, we are exploring possibilities in that arena.

Terms and Conditions

In the event the information submitted is unclear, AGE may request additional information or explanation. The Supplier will answer all requests for additional information in writing, and these responses shall become part of the Supplier's qualifications. Suppliers failing to provide adequate information on any issues in a timely manner to allow for a comprehensive evaluation by the City/Village/County shall be considered unresponsive, and their proposals shall be subject to rejection.

Suppliers must demonstrate compliance with all legal and regulatory requirements and must be certified and approved by all applicable or required Ohio agencies and each utility. A current environmental disclosure statement must also be provided (if applicable).

A sample supply agreement with applicable terms and conditions MUST be included.

A phone interview with your company may be requested so that select government authorities may ask questions pertinent to your company.

Procedures

Please submit the answers to the RFQ on or before September, 6 2016, electronically by email to info@agellc.com.

Do not contact the City/Village/County or its' representatives directly.

Questions regarding this RFQ should be directed to Affordable Gas & Electric, who will compile, administer and recommend a qualified list of suppliers to ultimately send a Request for Proposal to:

Jeff Haarmann

Affordable Gas & Electric Company, LLC

10749 E Garden Rd

Mt. Vernon, IL 62864

Phone: (618) 204-0115

Email: jhaarmann@supernovapartners.com

AGE reserves the right to narrow its' list of qualified suppliers to bid to based on the responses of this RFQ. Once a qualified list of suppliers is selected, a formal RFP with specific bid specs will be sent.