

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: July 9, 2015

Response Date: July 31, 2015

As the consultant of record for, and on behalf of the Cities/Villages/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 Rules of Operation and Governance for each commodity.

Suppliers approved to receive an RFP will be provided with summary data for the respective commodities after each community is officially registered as a Government Aggregator. This data will be summary data only and will not contain customer information.

Background

The communities of Sidney, Fort Loramie, Russia, Botkins, Bradford and Rockford, Ohio are currently in the process of approving ordinances to allow for referendums to be placed on the November 2015 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: __ Volunteer Energy

Principal Address: __ 790 Windmill Drive Pickerington, Ohio 74147

Proposal Contact Person: _Keith Madden

Contact Phone: _____ 614-328-2941 Cell: 614-736-6465

Contact Fax: ____ 614-328-2942

Contact Email: ____ kmadden@volunteerenergy.com

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

Name of Parent Company (if any): _____ n/a

Do you have an Ohio Office? Yes __X_____ No _____

Company Website: _____ volunteerenergy.com

Describe your company's organizational structure including parent, affiliate and subsidiary companies.

Privately Held

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.

n/a

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.

n/a

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.

350,000 + natural gas customers 30,000 + electric customers

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.

n/a

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 x _____

What is the rating of your Company's or Parent Company's long-term unsecured debt?

Moody _____ Privately Held _____ S&P _____ Privately Held _____

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

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

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

PUCO Certification Number(s): 02-022G(6)

What year did Company begin selling electricity to residential retail customers? 2002

What year did Company begin selling natural gas to retail customers? 2002

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

We are currently serving over 50 communities

In DP&L territory, please provide:

Mwh quantity your company serves under government aggregation: _____

Number of Customers service under government aggregation: _____

For other electric utility territories:

Mwh quantity your company serves under government aggregation: _____

Number of Customers service under government aggregation: _____

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

Total Mcf natural gas volume your company serves under the government aggregation: _68,000

Total natural gas customers your company serves under the government aggregation: __350,000

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

VESI is one of the largest suppliers for government aggregations. VESI is a supplier to more than 40 municipal aggregations in the State of Ohio. Our supply services programs provides a comprehensive package that contains supply and delivery security at competitive rates, complete administrative support and responsibility, and creative supply flexibility.

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.

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

For Opt-Out questions:

VESI has an in house call center. All call center employees are able to educate the customers who inquire about government aggregation programs.

For customers currently on competitive supply:

Others:

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

Financial Overview

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

n/a

Customer Service Information

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

Keith Madden

614-328-2941

kmadden@volunteerenrgy.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?

VESI Internal Call Center

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 in the last 10 years

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.

- 1)City of Gallipolis Randy Finney City Manager 740-446-1789
- 2)City of Pickerington Bill Vance City Manager 614-837-3974
- 3)City of Marion Mark Russell City Manager 740-387-3777

Billing and Reporting Information

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

Pricing Options, Products and Services

With our referendum on the ballot in November, 2015 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, 2015?

Yes No

For optimal pricing to the customer, what would you generally see as the most effective length of contract assuming an February/March, 2015 start date?

12 months

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"?

n/a

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 _____ 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"?

n/a

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

Fixed Price: _____

Variable Price: _____

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.

Describe demand management and energy efficiency services to be provided to each class of customers.

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 July 31, 2015, 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.