

May 9, 2014

Dear Amberley Resident,

This letter is to update you about the Village electric aggregation program. **For residents in the Village electric aggregation program, no action is necessary at this time if you want to continue in the electric aggregation program.** Listed below is a summary of the status of your Village electric program and on the back of this letter are frequently asked questions if you want more details.

As the current Village electric aggregation program comes to an end this month with DP&L, the Village joined with 7 local governments in a consortium to seek competitive proposals. Village Council concurred with our energy broker and members in the consortium and approved a contract with Perigee Energy to supply electric to our residents effective in July.

Residents who are currently enrolled in the Village's electric aggregation program (DP&L as your Village electric provider), will be moved over to Duke Energy for one month before being rolled over into the Village's new supplier, Perigee. Residents will be notified by Perigee and given a 21-day window to opt-out of the program. Duke Energy will then notify the same residents to confirm their decision giving residents 7 days to opt out. Residents who want to continue in the Village aggregation program need not do anything.

For residents who are not in the Village aggregation program and are interested in enrolling, please wait until the Village transitions over to Perigee then enrollment can occur. Please watch the Village website for more information at www.amberleyvillage.org.

Once again, for residents in the Village electric aggregation program, **no action is necessary at this time if you want to continue in the electric aggregation program.** Please read the Frequently Asked Questions on the back if you want more information or if you have questions, please call the Village offices at 531-8675.

Sincerely,

Scot Lahrmer
Village Manager

Frequently Asked Questions (FAQ) about Electric Aggregation

- 1. What do I need to do at this time to continue in Amberley's electric aggregation program?** Residents do not need to do anything as you will transition over to our new supplier in July.
- 2. Why is the electric aggregation program with DP&L coming to an end this month?**
The agreement with DP&L was a 2 year contract priced at \$0.0455/kWh, which is a rate that in today's market is unmatched. The contract expires May 2014.
- 3. I have received a letter from DP&L and Duke telling me I will become a Duke customer, but why?** In order to transition from the expiring contract with DP&L to Perigee, all customers had to move to Duke Energy for one month before being converted to a Perigee customer.
- 4. Who is the new supplier for Amberley's electric aggregation program?** Perigee Energy is the new supplier and their service begins in July.
- 5. How did Perigee Energy get selected?** The Village joined with 7 local governments in a consortium to aggregate electric. Village energy consultant, Eagle Energy, sought competitive proposals from 11 electric suppliers in order to determine the best offer and received 6 responses. The proposals have been evaluated by the Village's energy consultant along with the other communities and recommended Perigee.
- 6. What is the new rate effective with the meter reading in July?** Perigee's annual rate is \$0.0568/kWh which will be the fixed rate through June 2017 meter reading. This rate is 10-12% below the Duke Energy Price-To-Compare of \$0.064 effective June 1.
- 7. Why did Village council enter into a 3 year contract with Perigee?** With electric rates on the rise, Perigee guaranteed their annual rate of \$0.0568/kWh. This provides rate stability for 3 years and fares competitively to rates recently contracted by other communities.
- 8. Why is the cost of electric increasing?** Rates for all electric users, regardless of aggregation, will increase effective June 1. With the shutdown of coal-fired plants and other reasons, electricity rates are on the rise which is why the Village has selected an electric supplier for a 3 year period with a fixed rate.
- 9. Will Perigee offer the option to choose to receive "green" or sustainable power?**
Yes, at an additional cost of \$0.005/kWh or a fixed rate of \$0.061/kWh, Perigee will set up an on-line sign-up option for anyone who may want to pursue renewable energy. More information about this option will be available on the Village website.
- 10. Why is the Village involved with electric aggregation?** In 2011, Amberley voters approved a ballot issue to allow the Village to create an Electric Aggregation Program. The Village selected DP&L as its alternate electric supplier in February 2012 and this program has saved Village residents more than \$475,000 over Duke Energy's rates since the program's inception.
- 11. Will I need to do anything once I receive the Perigee letter or Duke's opt out letter?**
For residents in the Village aggregation program, you do not need to take any action at this time if you want to continue in the electric aggregation program.