STATE OF OHIO NATURAL GAS PURCHASING PROGRAM

The State of Ohio Department of Administrative Services
is proud to announce
NATURAL GAS GUARANTEED SAVINGS CONTRACTS
For Eligible Consumers!

State Program Participants have saved a total of over $29 Million from Fiscal Years 2004 through 2009, an average of 10% off applicable utility rates!!! The State of Ohio Department of Administrative Services has partnered with natural gas suppliers to provide ***GUARANTEED SAVINGS*** contracts on natural gas for eligible consumers in the Columbia Gas of Ohio ("COH"), Dominion East Ohio Gas ("DEO") and Vectren Energy Delivery of Ohio ("VEDO") territories.

Below is more information about how you can start saving today!

The State of Ohio Natural Gas Program: Determines what utility delivery rate code from which you would benefit most; combines your usage with that of many State facilities to increase buying power; buys natural gas in quantity for all facilities; contacts made yearly to identify your savings in the program.

Benefits: Your site(s) can save up to 14% on the commodity portion of gas bills compared to the best utility rates; trained, skilled professionals are available to answer any questions you may have; historic savings or projected costs available; if selected, the electronic bill payment system reduces paperwork, utility late fees, and stores data to allow for usage or spending reports when you need them.

Choice (Smaller consuming sites)

Columbia Gas of Ohio ("COH")				
Compare the Difference Per CCF!				
Mo/Yr	COH Rate	State Rate	Average Savings	Prctg. Of Savings
Jul '10	$ 0.6997	$ 0.6122	$(0.088)	-13%
Aug '10	$ 0.7057	$ 0.6179	$(0.088)	-12%
Sept '10	$ 0.5877	$ 0.5056	$(0.082)	-14%
Oct '10	$ 0.6072	$ 0.5242	$(0.083)	-14%
Nov '10	$ 0.5500	$ 0.4700	$(0.080)	-15%
Dec '10	$ 0.6524	$ 0.5672	$(0.085)	-13%
Jan '11	$ 0.6470	$ 0.5621	$(0.085)	-13%
Feb '11	$ 0.6575	$ 0.5721	$(0.085)	-13%
Average:	$ 0.6384	$ 0.5539	$(0.085)	-13%

Choice (Smaller consuming sites)

Dominion East Ohio Gas ("DEO")				
Compare the Difference Per MCF!				
Mo/Yr	DEO Rate	State Rate	Savings	Prctg. Of Savings
Jul '10	$ 5.9340	$ 5.7820	$ (0.15)	-3%
Aug '10	$ 5.9913	$ 5.8390	$ (0.15)	-3%
Sept '10	$ 4.8683	$ 4.7160	$ (0.15)	-3%
Oct '10	$ 5.0543	$ 4.9020	$ (0.15)	-3%
Nov '10	$ 4.5093	$ 4.3570	$ (0.15)	-3%
Dec '10	$ 5.4843	$ 5.3320	$ (0.15)	-3%
Jan '11	$ 5.4333	$ 5.2810	$ (0.15)	-3%
Feb '11	$ 5.5333	$ 5.3810	$ (0.15)	-3%
Average:	$ 5.3510	$ 5.1988	$ (0.15)	-3%

Choice (Smaller consuming sites)

Vectren Energy Delivery of Ohio ("VEDO")				
Compare the Difference Per CCF!				
Mo/Yr	VEDO Rate	State Rate	Savings	Prctg. Of Savings
Jul '10	$ 0.6361	$ 0.6301	$ (0.01)	-1%
Aug '10	$ 0.6420	$ 0.6360	$ (0.01)	-1%
Sept '10	$ 0.5274	$ 0.5214	$ (0.01)	-1%
Oct '10	$ 0.5464	$ 0.5404	$ (0.01)	-1%
Nov '10	$ 0.4908	$ 0.4848	$ (0.01)	-1%
Dec '10	$ 0.5902	$ 0.5842	$ (0.01)	-1%
Jan '11	$ 0.5850	$ 0.5790	$ (0.01)	-1%
Feb '11	$ 0.5952	$ 0.5892	$ (0.01)	-1%
Average:	$ 0.5766	$ 0.5706	$ (0.01)	-1%

*Graph intended for smaller-consuming "Choice" sites. Larger consuming sites may have the ability to save even more!

Customers who are eligible include: State Agencies, Boards and Commissions. Registered participants in the State's Cooperative Purchasing Program, including: Counties, Townships, Cities, Municipal Corporations, Regional Transit Authorities, Regional Airport Authorities, Metro Housing Authorities, Port Authorities, County / Metropolitan Park Districts, Conservancy Districts, Public Libraries, and School Districts. Others who may be eligible based on their procurement authority include: State Universities, State Vocational Schools, State Community Colleges, and other Institutions of Higher Education who have COH, DEO or VEDO as their local utility. For more information on becoming a Cooperative member, please visit: www.das.ohio.gov/gsd/procurement/coop/ods.htm

To Enroll: Complete the enclosed Enrollment Inquiry Form and Memorandum of Understanding ("MOU"). Also attach a full recent utility bill copy for each site you would like to include and a signed Blanket Certificate of Exemption. Please fax these items to: 330.761.7286 *or* Email: milesd@e-grp.com *or* Mail to:

State of Ohio Gas
Program Administrator
FirstEnergy Solutions
The E Group
341 White Pond Drive WAC-B3
Akron, OH 44320

February 2011

QUESTIONS AND ANSWERS

WHY IS THERE A GAS PURCHASING PROGRAM?
Deregulation allows the State to purchase natural gas in quantity. The State saves money by bidding for the best price, streamlining the payment process, and eliminating late fees on gas bills.

WHAT RESULTS CAN WE EXPECT?
Eligible Facilities can save up to 14% off current utility commodity rates.

ARE THERE ANY RESTRICTIONS ON JOINING?
Natural gas account must be paid current with utility; any current contracts with gas suppliers must expire before joining the State's program.

IS THERE A FEE TO JOIN THE PROGRAM?
No, there is no fee to join the program. However, there is a minimal administrative fee that is paid for out of the savings. Please note that the stated savings is net of these fees.

WILL THE GAS UTILITY STILL BE INVOLVED?
The local gas utility will continue to transport the gas through its pipelines to your facility and will provide customer service in the event of an emergency.

WHAT CHANGES WILL THIS HAVE ON THE OPERATION OF MY FACILITY?
Once enrolled, you will notice the name of the State selected supplier appear on your monthly utility invoice.

WHY USE THE ELECTRONIC BILL PAYMENT SYSTEM?
The State of Ohio Department of Administrative Services quantify savings of at least $40 per invoice which is processed via EDI versus paper processing; bills are received at a central agent where data is keyed, bills are validated and a check is issued to vendor for payment; eliminating late fees! A funding request e-mail is then sent to your accounting department to prompt an EDI or ACH/wire transfer for reimbursement of pre-payment; you will receive web access to view natural gas invoices on-line. Additionally, you will be able to easily and quickly create various usage and spending reports based on the data keyed.

I AM INTERESTED! HOW DO I ENROLL?
Fill out the attached Enrollment Inquiry Form and Memorandum of Understanding ("MOU"), included with this brochure. Please use utilize the EDI Mou if you wish to process bills electronically or the Non EDI MOU if you would like to continue receiving paper invoices. Provide a complete natural gas invoice copy for each account you would like to add and a signed Blanket Exemption of Certificate. These items can be faxed to 330.761.7286 for enrollment.

ADDITIONAL QUESTIONS?
Please contact:
Mike Royer, State of Ohio, Department of Procurement Services, State Purchasing: 614.644.1576
Dave Miles, The E Group: 330.315.6989
Stephanie Everhart Cavelli, The E Group: 330.315.7282

About the Program

The State of Ohio Natural Gas Program has been administered since May 2003 by FirstEnergy Solutions, dba The E Group, under Contract with the Ohio Department of Administrative Services, General Services Division, Office of Procurement Services

For more information, contact:

FirstEnergy Solutions – The E Group
341 White Pond Dr., A-WAC-B2
Akron, OH 44320
Dave Miles: 330.315.6989
Stephanie Everhart Cavelli: 330.315.7282

The State of Ohio Natural Gas Program participants have enjoyed savings totaling over $29 Million from Fiscal Years 2004 through 2009…….an average of 10% off applicable utility rates!!!

For more information, contact:

Office of Procurement Services
4200 Surface Road
Columbus, OH 43228-1395
Mike Royer: 614.644.1576

John Kasich, Governor
Robert Blair, Director
Ohio Department of Administrative Services

State of Ohio Natural Gas Program Enrollment Inquiry

Organization Name: _____ Federal Tax ID #: _____

Cooperative Membership Number (if Coop): _____

Local Gas Company: _____ Number of Accts: _____

Can your facility perform electronic bill payment functions? YES NO Unsure

Billing Address: _____

Primary Address: _____

Primary Contact: _____ Contact Title: _____

Phone: _____ Fax: _____ E-Mail: _____

Accounting Contact: _____

Phone: _____ Fax: _____ Email: _____

- ✓ Please provide one full copy of a recent utility invoice for each account you wish to add to the program.
- ✓ Please include a completed, signed Blanket Exemption of Certificate if you site is tax exempt along with a signed Memorandum of Understanding (MOU) to enroll.

FAX TO: 330.761.7286 OR
MAILTO: Program Administrator
FirstEnergy Solutions – The E Group
341 White Pond Dr.
A-WAC-B2
Akron, OH 44320

The E Group
A Division of FirstEnergy Solutions Corp.

Memorandum of Understanding
Customer Choice Program for EDI Customers

This Memorandum of Understanding (MOU) is between the Ohio Department of Administrative Services, General Services Division, Office of Procurement Services ("DAS") and _____ ("Customer").

DAS has contracted with FirstEnergy Solutions (FES) to act as the administrator of the State's Natural Gas Purchasing Program ("Program"). DAS, through FES, agrees to:

- contract for the purchase of natural gas at the best available price for the Customer's accounts;
- invoice the Customer for natural gas on a monthly basis.
- provide an annual report to the Customer at the end of each supply term.

The Customer will receive a funding request from FES under this program**.** The FES funding request will include all costs, including gas supply, delivery, and any administrative fees. The Customer agrees to:

- authorize the release of utility history information to FES, DAS or DAS selected Supplier;
- attach to this MOU the completed "Enrollment Inquiry Form", a full invoice copy for each account to be enrolled and if tax exempt, a completed Blanket Exemption Certificate;
- process monthly payments via Electronic Data Interchange (EDI) <u>or</u> wire transfer to a designated lockbox address;
- provide funding by the due date or pay interest in accordance with Revised Code Section 126.30 on any unpaid portion of the funding request. The utility reserves the right to remove a Customer from the Choice Program for late payment, at its discretion.

It is understood that enrollment is subject to the discretion of DAS and acceptance from Customer's natural gas utility. Accounts may not be removed from the Program unless the Customer is no longer responsible for gas bills at a particular site. If the Customer wishes to remove an account from the Program, the Customer must provide thirty (30) days written notice to DAS. If an account is removed for any reason other than an account moving or closing, the natural gas utility may impose a switching fee and the supplier may impose an early termination fee.

The term of this MOU is one year. If the term of this MOU crosses the state operating biennium, it will expire at the close of the biennium. DAS may, however, renew the MOU in the new biennium by written notice to the Customer for the remainder of the one year term. This MOU will renew automatically at the end of each term, unless the Customer provides notice to terminate to DAS within thirty (30) days prior to the end of the term.

This MOU shall be in effect upon signature of both parties.

_____
Customer Entity Name (please print)

_____
Primary Entity Address (street, city, zip code)

_____
Authorized Contact Name (please print)

_____
Authorized Contact Information (phone, e-mail)

_____
Authorized Contact Signature

_____
Date

_____
Authorized Name (if second signature is required)

_____
Authorized Signature (if second signature is required)

_____
Date

Ohio Department of Administrative Services

_____
Signature

_____
Date

Please return MOU to DAS - Procurement Services, Attn: Mike Royer, 4200 Surface Rd., Columbus, OH 43228-1395
Fax: 614-644-1785 …. Phone: 614-644-1576 … E-mail: mike.royer@das.state.oh.us

Memorandum of Understanding
Customer Choice Program for Non EDI Customers

This Memorandum of Understanding (MOU) is between the Ohio Department of Administrative Services, General Services Division, Office of Procurement Services ("DAS") and _____ ("Customer").

DAS has contracted with FirstEnergy Solutions (FES) to act as the administrator of the State's Natural Gas Purchasing Program ("Program"). DAS, through FES, agrees to:

- contract for the purchase of natural gas at the best available price for the Customer's accounts;
- provide an annual report to the Customer at the end of each supply term;

For those Customers paying through a paper-based process, the Customer will continue to be billed by the utility under this program. The customer will not receive a bill from DAS or FES. The utility bill will include all costs, including gas supply, transportation, and any administrative fees. The Customer agrees to:

- authorize the release of utility history information to FES, DAS or DAS selected natural gas Supplier;
- attach to this MOU the completed "Enrollment Inquiry Form", a full invoice copy for each account to be enrolled and if tax exempt, a completed Blanket Exemption Certificate;
- pay utility bills by the due date listed on the bills, or pay interest in accordance with Revised Code Section 126.3 on any unpaid portion of the bill. The utility reserves the right to remove a Customer from the Choice Program for late payment, at its discretion.

It is understood that enrollment is subject to the discretion of DAS and acceptance from Customer's natural gas utility. Accounts may not be removed from the Program unless the Customer is no longer responsible for gas bills at a particular site. If the Customer wishes to remove an account from the Program, the Customer must provide thirty (30) days written notice to DAS. If an account is removed for any reason other than an account moving or closing, the natural gas utility may impose a switching fee and the supplier may impose an early termination fee.

The term of this MOU is one year. If the term of this MOU crosses the state operating biennium, it will expire at the close of the biennium. DAS may, however, renew the MOU in the new biennium by written notice to the Customer for the remainder of the one year term. This MOU will renew automatically at the end of each term, unless the Customer provides notice to terminate to DAS within thirty (30) days prior to the end of the term.

This MOU shall be in effect upon signature of both parties.

_____	_____
Customer Entity Name (please print)	Authorized Name (if second signature is required)
_____	_____
Primary Entity Address (street, city, zip code)	Customer Signature (if second signature is required)
_____	_____
Authorized Contact Name (please print)	Date
_____	
Authorized Contact Information (phone, e-mail)	
_____	
Authorized Contact Signature	
_____	
Date	

Ohio Department of Administrative Services

_____	_____
Signature	Date

Please return MOU to DAS - Procurement Services, Attn: Mike Royer, 4200 Surface Rd., Columbus, OH 43228-1395
Fax: 614-644-1785 .... Phone: 614-644-1576 ... E-mail: mike.royer@das.state.oh.us