

URGENT

MEMORANDUM

TO: NOPEC Member Communities

FROM: Leigh Herington, Executive Director

SUBJECT: FirstEnergy Electric Rate Increase on January 1, 2009

DATE: October 22, 2008

This memo provides our member communities with critical information about sizable increases proposed for your residents' electric rates. We ask that you take a few moments to read this well-documented report that details how we have gotten to this point regarding electric rates in northeast Ohio. We are extremely disappointed that FirstEnergy is unwilling to extend its current electric rates for several months and instead has proposed to pass on higher costs to hundreds of thousands of northeast Ohioans.

As you may know, last month NOPEC asked FirstEnergy to extend the current NOPEC generation discount from December 31, 2008 until the corporation's permanent rate plan is approved by the Public Utilities Commission of Ohio ("PUCO"), expected by March 2009. **FirstEnergy refuses to do so. This decision means that your residents will lose the current 5% NOPEC generation discount effective January 1, 2009. This is in addition to the rate increase expected to occur in 2009 from FirstEnergy's proposed rate plan.**

FirstEnergy clearly has the capacity to extend its 5 percent discount for several months. It would mean little to the health of this big corporation's profit margin but substantial savings to your residents' pocketbooks.

We also explain below what NOPEC has done – and continues to do - to limit rate increases for our members, and some ways you may be able to get involved to assist your residents. We ask for your help in contacting the Public Utilities Commission of Ohio, Governor Ted Strickland and your elected state officials to curb what NOPEC considers to be unreasonable rate increases and anti-competitive practices proposed by FirstEnergy Corporation ("FE" or "FirstEnergy").

Background

In the 1970's and 1980's, the predecessor companies to FirstEnergy, (Cleveland Electric Illuminating Company, Toledo Edison Company and Ohio Edison Company), embarked on large electric generation construction projects. Due to a number of factors, there were massive cost overruns in constructing the Davis-Besse and Perry nuclear power plants, and one of the Perry units was cancelled. Electric rates in northern Ohio subsequently soared, becoming the highest

in the state and amongst the highest in the nation. To avoid even higher rate increases, the utilities were permitted by the PUCO to “defer” many of the construction costs and rate increases that otherwise would have been granted, together with carrying charges on the debt. Due largely to the resulting financial debt burden on the utility companies, Cleveland Electric Illuminating Company and Toledo Edison merged to form Centerior Energy Corporation in 1986. In 1997, Centerior Energy merged with Ohio Edison to form FirstEnergy.

In 1999, the Ohio Legislature’s Senate Bill 3 (SB3) deregulated the electric generation part of your electric bill. FirstEnergy successfully convinced the Legislature and the PUCO that it should be compensated for 100% of the value of its generation plants that were now being deregulated. In 2001, the PUCO allowed FirstEnergy approximately \$9 billion in “stranded cost” recovery, for the value of the now deregulated generation plants and the rate deferrals going back to the 1980’s that FirstEnergy had been carrying on its books. The stranded cost recovery was supposed to end by December 31, 2005.

SB 3 also established “opt-out” governmental aggregation. NOPEC was formed in November 2000 to procure generation cost discounts using group pricing power to take advantage of the SB 3’s “opt-out” provisions. NOPEC sought bids for electric supplies in November, 2000. FirstEnergy did not submit a bid. Green Mountain Energy was selected as NOPEC’s first electric generation supplier. NOPEC achieved savings for its electric customers of about \$51 million from 2001 to 2005 under the Green Mountain contract.

In 2003, FirstEnergy filed a “Rate Stabilization Plan” with the PUCO. It was approved in 2004. The RSP was designed to prevent potential rate increases if FE procured electricity from the wholesale market. Shortly after implementing the RSP, FE modified that plan with a “Rate Certainty Plan.” FirstEnergy’s current rate plan went into effect January 1, 2006 and is scheduled to end December 31, 2008. Those plans allowed FE to rename and continue to charge stranded costs that otherwise would have stopped on December 31, 2005. The stranded cost charges were scheduled to end this year for Ohio Edison customers, and to be reduced in May, 2009 and end in 2010 for CEI customers.

Because the Rate Stabilization/Rate Certainty Plans were designed with anti-competitive features by FirstEnergy, NOPEC was unable to procure generation at a discount from outside suppliers after Green Mountain exited the Ohio market in December, 2005. Nevertheless, in November, 2005, NOPEC negotiated a settlement with FirstEnergy Solutions (FES) to provide a generation rate discount to NOPEC customers, which was 5% for residential customers and 1% for commercial customers, for the period from January 1, 2006 through December 31, 2008. By the end of 2008, NOPEC customers will have saved an additional \$28 million on their electric bills in the last 3 years from NOPEC’s FES deal, bringing the total electric savings brought by NOPEC to its customers to nearly \$80 million since our inception.

2008 Developments

Faced with potentially large generation rate increases if the utilities were to buy power in the deregulated wholesale electric markets starting in 2009, the Ohio Legislature passed Am Sub SB 221 in April, 2008. This was a “hybrid” approach, requiring both a regulated “electric security” rate plan to be filed at the PUCO by the utilities for the period after 2009, and permitting the utilities to file a market rate option. The PUCO is required to ensure the electric security plan is more favorable than the market rate option. NOPEC worked closely with legislative leaders to include favorable language in SB 221 requiring the PUCO to promote and encourage large scale governmental aggregation, and to examine all non-bypassable charges proposed by utilities to ensure they would not adversely affect large scale governmental aggregation such as NOPEC, and to bypass “standby charges” proposed by utilities.

On July 31, 2008, FE filed an application with the PUCO to approve an “Electric Security Plan” for the period from January 1, 2009 through December 31, 2011. The ESP plan contains two anti-competitive charges that will prevent NOPEC from obtaining a cheaper generation supply for NOPEC customers. The first is a 1¢/kwh “minimum default service” charge, which NOPEC and others believe is a “standby charge.” The second is a “generation deferral,” which defers a portion of the generation rate increase to be collected – with interest - starting in 2011. FE has proposed in its ESP that NOPEC customers cannot avoid the 1¢/kwh amount even if it buys generation from an outside supplier, and that the amount of the generation deferral cannot be counted in the “price to compare” when NOPEC supplies generation service. NOPEC believes that these two parts of FE’s PUCO application are anti-competitive, illegal, and designed to prevent NOPEC’s continued success.

What is NOPEC Doing?

In May, 2008, NOPEC began a bidding process to select a new generation supplier for residents in your communities starting in 2009. FES chose not to bid. In September, NOPEC entered into a letter of intent with FPL Energy, a subsidiary of FPL Group (NYSE: FPL), the parent of Florida Power & Light Company, to be NOPEC’s generation supplier over a three-year period beginning in 2009. FPL Energy is the nation’s leading generator of wind and solar power. Under the proposed transaction, FPL Energy will, through its power marketing and competitive retail subsidiaries, provide power that based on current energy prices, could result in substantial cost savings for 600,000 electric consumers in nine counties in northeast Ohio.

This agreement is conditioned upon the PUCO ultimately ruling in NOPEC’s favor on the two anti-competitive features of FE’s proposed rate plan.

NOPEC has intervened in proceedings before the Public Utilities Commission of Ohio (PUCO) regarding FirstEnergy's application for authority to establish an electric security plan that would establish future electric rates for a three-year period. On behalf of its consumers, NOPEC will ask the PUCO and First Energy to maintain FirstEnergy's current electric rates until FPL Energy starts supplying the load.

FE has asked the PUCO for a temporary rate plan, beginning on January 1, 2009. Last month, NOPEC asked FES to extend the current NOPEC generation discount from December 31, 2008 until FE's permanent rate plan is approved, expected to be in March, 2009. FE refused to do so. **If FE does not extend the NOPEC generation discount, your residents will lose the current 5% NOPEC generation discount starting January 1, 2009. This will be in addition to the rate increase expected to occur in 2009 from the proposed FE rate plan.**

This is not a company crying out in poverty for rate relief! The problem is that FirstEnergy's rates should have been reduced next year from their very high levels of the past 30 years when the stranded costs were all to be paid off. Instead, the rates are being increased again after the ratepayers have paid for the assets at least once if not several times over. In these tough economic times, Ohioans simply cannot afford to award even higher record profits to FirstEnergy.

NOPEC needs your help. Please write to the PUCO, Governor Ted Strickland, and your State representatives to request:

1. FES continue the NOPEC generation discount after January 1, 2009 until a new NOPEC generation supply can start;
2. The PUCO adopt NOPEC's recommendations in the FE ESP case to eliminate the 1 cent/kwh rider for NOPEC customers and to eliminate or establish a credit for NOPEC customers for the proposed generation deferral to allow for NOPEC to provide generation to your residents starting next year; and
3. Prevent FirstEnergy from making excessive profits at the expense of economically challenged hard working Ohioans.

The addresses are listed below:

1.
Public Utilities Commission of Ohio
Attn: Docketing Division
180 E. Broad Street
Columbus, OH 43215
Case # 08-935-EL-SSO (Electric Security Plan) and 08-936-EL-SSO (Market Rate Option)
Fax: 614.466.7366
Judy.lowery@puc.state.oh.us

2.
Governor Ted Strickland
77 South High Street, 30th Floor
Columbus, OH 43215
Susie.long@governor.ohio.gov
Fax: Att: John Haseley, Chief of Staff at 614.728.9522

3.

Mark Shanahan
Governor's Energy Advisor
60 W. Broad St., Suite 1718
Columbus, OH 43215
Fax: 614.752.9188
mark.shanahan@aqda.state.oh.us

4.

To contact your legislators in the Ohio Senate and House:
www.legislature.state.oh.us

If you have any additional questions, please contact me by e-mail or at NOPEC 440.248.1992.
NOPEC appreciates your continued support and help!

Leigh Herington, NOPEC Executive Director



CITY OF KENT, OHIO

DEPARTMENT OF SAFETY

To: Mr. Ruller

c. Mr. Bowling
Mr. Locke
Chief Peach
Mr. Roberts
Chief Williams

From: William Lillich

Subject: Traffic Engineering & Safety Meeting of October 17, 2008
TE&S 2008-05

1. SR261 signal changes to add advanced left turn

The committee continued review of the intersection safety issues at Mogadore and Sunnybrook Roads, in light of Mr. Giaquinto's estimate of \$10,000-\$15,000 per intersection for improvements. The changes would include additional signal heads and signal programming that would provide for isolated left turns from SR261 to the other roadways. Engineering will continue to monitor as well as looking for possible funding sources.

2. Traffic signalization study update

As part of the SR59 signal upgrade process, Mr. G. and Mr. B. requested discussion of the existing traffic signals at Haymaker/Middlebury and Haymaker/Depeyster. The discussion dealt with the recent signal warrants submitted to ODOT which included the determination that traffic signals are not presently warranted at both of these locations.

There are several issues to consider in this regard that would suggest positive and negative reasons to remove the signals. Foremost among these is frequency of emergency responses from the Main Fire Station. Since the signals would not be warranted, it could be necessary for the City to pay the full expense if we decide maintain either of these systems.

After discussion, it was felt that some of the downtown design suggestions may also impact this decision, so we felt that it may be premature to make any definitive recommendations. Based on the signalization study schedule, a decision will be required within the next four to six months.

3. E Main street pedestrian island design and marking

The committee reviewed a concern that had been forwarded from the AMATS office. Several of the safety improvements to the islands were highlighted, and possible solutions were also identified, although some would reduce the safety protection currently afforded pedestrians at the crossings. It was decided to wait until a full year's worth of data can be reviewed since the left turn prohibition was instituted. It was also pointed out that these areas are not high on the pending projects list based on the severity of any safety issues.

4. N. Mantua St school zone marking signs; position and type (electrical v. visual)

The committee discussed a request through Jon G. from a resident of River Bend who wondered if the timing of the Franklin school zone lights could be changed to slow vehicles in a longer speed zone. The resident was inquiring if the lights from Franklin Elementary could be activated during RHS student reporting times in order to slow down motorists for a longer period of time

The legal marking standards for time and zone were reviewed, with the conclusion that the request could not be met.

5. Crain Ave. neighborhood group traffic calming; petition for Crain stop signs at University/Miller intersection.

The committee discussed a renewed effort on behalf of the efforts of residents in Ward 6 to institute some traffic calming in the Crain Ave. corridor. A few residents had been meeting in the Spring of 2007 to discuss neighborhood traffic improvements, and had decided to survey the neighborhood in regards to the installation of stop signs at this intersection. This effort stalled, but has been recently revived.

The committee considered a reduced neighborhood petition area for the purposes of soliciting resident interest. Although the committee had some concerns about the safety of the proposal, it was felt that if the neighborhood desired further consideration, the matter should go forward to the City Council.

Additionally, with Jon Giaquinto now serving as our resident traffic expert, it was requested that he review the administrative policy

6. E. Summit St. signage concerns

The committee reviewed the existing signage on Summit Street in the area of Ted Boyd Drive. KSU would like to install a wayfinding sign in this area that would require removal/relocation of some existing signage.

Several signs that are currently in that area were identified for removal as redundant.

7. E. Main St. sidewalk H/C ramps

A proposal from the Phoenix Project was reviewed that would result in approval for ramps in the sidewalk right-of-way. Minor comments/suggestions were identified, with a general consensus to recommend approval. Mr. Roberts will work on a draft licensing agreement for the proponent, and for approval by the City Council.

8. No turn on red signs at Summit & Morris.

The committee reviewed the history and current status of the signs at this intersection, and the concern for the high number of pedestrians that use this intersection each day. Mr. Giaquinto will research the appropriate standards.

9. Audible pedestrian signals were discussed in general concept in regards to signal improvements in the Summit St. area. No specific recommendations were made.

10. College Ct. parking regulations were reviewed, as well as a discussion of the signs that are missing/stolen from this area. Temporary signs will be posted to improve enforcement, and a draft ordinance to update the standards has been forwarded for City Council's consideration.

Action required

1. City Council review of right-of-way license for sidewalk ramps at the Phoenix project after agreement with the project proponent.
2. Approval of revised parking regulations on College Ct. (Request previously submitted).

Dominion East Ohio
1201 East 55th Street, Cleveland, OH 44103
Mailing Address: P.O. Box 5759
Cleveland, OH 44101-0759
Web Address: www.dom.com



Robert W. Varley
Managing Director, Midwest State & Local Affairs

October 10, 2008

Dear Public Official:

Dominion East Ohio has launched a new website to help our customers and your constituents make the best choices in purchasing natural gas. The interactive site, which serves as a one-stop shop for gas choice information, can be accessed online at www.dominiongaschoice.com.

The site's theme is, "Get Turned On To Energy Choice." Dominion East Ohio worked with the Public Utilities Commission of Ohio (PUCO), the Office of the Ohio Consumers' Counsel (OCC), natural gas suppliers and community organizations, to launch the website. Rosetta, Inc., of Cleveland, formerly Brulant, Inc., designed and produced the site.

As you know, Dominion East Ohio's Energy Choice program offers eligible natural gas customers the option of buying natural gas from a supplier certified by the PUCO. About 70 percent of Dominion East Ohio's customers already purchase their gas supply from another company. Regardless of where customers buy their natural gas, Dominion East Ohio will still deliver it to their homes and businesses, and will continue to provide customer service and 24-hour emergency response.

To help consumers understand the costs and terms associated with certified natural gas suppliers' offers, Dominion East Ohio's Energy Choice website offers tools such as links to the PUCO's "Apples To Apples" comparison chart, the OCC's "Comparing Your Energy Choices" chart, and other objective comparison tools. Since the purchase of natural gas can amount to as much as 75 percent of a gas bill, this information can make a substantial impact on a household's energy spending. The site also features a special community page, which contains fact sheets, glossaries and current news on Energy Choice.

We hope this user-friendly website will help our customers and your constituents better understand their "Energy Choice" options. The site includes a good explanation of government aggregation. We encourage you to consider publicizing this website within your community via newsletter, community access channel, or it can also be linked to your own city's website, which may be especially helpful if your site discusses aggregation.

In the meantime, if you have questions or require additional information, please contact me at Robert.W.Varley@dom.com, or (216) 736-6207, or contact your local affairs manager – Rose Dziak at Rose.P.Dziak@dom.com, or (216) 736-6201; Ty McBee at Ty.C.McBee@dom.com, (216) 736-6213; Tracy Stevens at Tracy.W.Stevens@dom.com or (330) 478-3104; or Peggy Ehora at Peggy.A.Ehora@dom.com or (419) 226-4866.

Sincerely,





Bureau of Workers' Compensation

P.O. Box 15429
Columbus, OH 43215-0429

Governor Ted Strickland
Administrator Marsha P. Ryan

ohiobwc.com
1-800-OHIOBWC

PAGE: 1

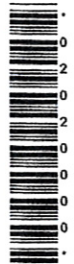
CITY OF KENT
325 S DEPEYSTER ST
KENT, OH 44240-3607

Date: 09/18/2008
Remit No: 68056900031
Warrant: 6953843

Congratulations! Your company met the participation eligibility requirements of the FY08 Safety Council Discount Program to earn a 2% discount. The performance bonus will be calculated at a later date with additional correspondence to indicate whether or not your company met the frequency and severity goals for an additional 2% discount.

If you have questions regarding this payment please contact your local BWC employer services specialist or call 1-800-OHIOBWC (1-800-644-6292) and press 0. You also can log on to www.ohiobwc.com for employer information online. It's fast, it's easy and it's convenient.

BWC - a better workers' compensation system built with you and your injured workers in mind.



WC 1605 DP 5 REV 9/04

PLEASE TEAR AT PERFORATION BEFORE CASHING CHECK.

THE BWC LOGO OF AN AUTHENTIC DOCUMENT WILL FADE WHEN TOUCHED

The Ohio Bureau of Workers' Compensation
P.O. Box 15429
30 W. Spring St.
Columbus, OH 43215



WARRANT: 6953843 DATE: 09/18/2008

VOID AFTER 12/17/2008 \$*****3,281.04*

PAY Three Thousand Two Hundred Eighty One Dollars And 04/100 *****
TO THE ORDER OF

36705302-0 800080969538431835

CITY OF KENT
325 S DEPEYSTER ST
KENT, OH 44240-3607

Tracy L. Valentino
Tracy L. Valentino
Chief Fiscal & Management Officer

PLEASE REMOVE STUB
BEFORE CASHING

⑈000328104⑈ ⑆044002174⑆800080969538431835⑈

From: Jim Williams
To: Dave Ruller
CC: Lillich
Date: 10/24/2008 8:36 AM
Subject: House Fire 237 E Summit

Dave,

Just wanted to let you know about a house fire we had this morning. While it wasn't all that spectacular, nor did it create a whole lot of damage to the structure. In fact, if you drive by you may not even notice the boarded up windows on the third floor.

The important thing about this fire was that everything worked the way it was supposed to. There were four Kent State student living in the house. At about 5:50 this morning a occupant heard the smoke detector on the third floor going off (no one was occupying that floor). She got up, located the fire and tried to put it out with an extinguisher. She had a problem with the extinguisher so she went and woke up the rest of her roommates. One of the other roommates was able to get the fire extinguisher to work and knocked down the fire while the fire department was being called.

Upon our arrival, all of the occupants were out of the house but the smoke had banked down to about a foot off of the floor on the third floor. The majority of the smoke was caused by a foam cushion from a couch which caused heavy black and toxic smoke. (foam rubber gives off cyanide gas when it burns).

The point of this is that if the smoke detectors where not in the house, or if the batteries had been removed like we find in a lot of houses, the outcome for this fire could have been a lot different. It is likely that the fire would have caused major damage to the structure and the loss of life could have been a real possibility.

This incident is a perfect example of the importance of smoke detectors and making sure that they are functioning all of the time. Instead of nobody really knowing about this incident because it was small, the end result is that we could have been on the front page of most newspapers if a student would have died as a result of the fire and no working smoke detectors.

I thought maybe you could share this story in your blog.

Chief Williams

James A Williams Sr.
Fire Chief
Kent Fire Department
320 S. Depeyster St.
Kent, Ohio 44240
330.676.7393 Office
330.676.7374 Fax
330.570.0777 Pager
330.842.0065 Cell

williamsj@kent-ohio.org
www.kent-ohio.org

Kent Fire Department is a full service department providing quality fire, emergency medical and other technical rescue services, proudly serving the City of Kent, Kent State University, Franklin Township and the Village of Sugar Bush Knolls.

Franklin-Kent Joint Economic Development District

	Deposits	Refunds	Interest	Checks	Fees	Ending Balance			
Feb - April	83,987.49								350,000.00
May - July	155,523.20								-2,000.00
Aug - Oct	57,816.03								350,250.00
Nov -Jan	59,500.89								
Feb - April	113,272.63								
May - July	64,755.52								
	470,100.24								
			0.50%					55%	45%
			Maintenance	Net		Balance to	Kent's	Franklin's	
	Deposits	Refunds	Set-Aside	Amount	Interest	Allocato	Portion	Portion	
February-07	5,316.71	0.00	26.58	5,290.13	4.02	5,294.15	2,911.78	2,382.37	
March-07	17,322.80	0.00	86.61	17,236.19	38.72	17,274.91	9,501.20	7,773.71	
April-07	61,347.98	0.00	306.74	61,041.24	159.84	61,201.08	33,660.59	27,540.49	
May-07	15,325.81	0.00	76.63	15,249.18	391.07	15,640.25	8,602.14	7,038.11	
June-07	16,491.53	0.00	82.46	16,409.07	429.32	16,838.39	9,261.11	7,577.28	
July-07	123,705.86	0.00	618.53	123,087.33	398.75	123,486.08	67,917.34	55,568.74	
August-07	17,011.42	0.00	85.06	16,926.36	56.08	16,982.44	9,340.34	7,642.10	
September-07	19,655.37	0.00	98.28	19,557.09	114.24	19,671.33	10,819.23	8,852.10	
October-07	21,149.24	0.00	105.75	21,043.49	222.35	21,265.84	11,696.21	9,569.63	
November-07	18,349.29	0.00	91.75	18,257.54	272.70	18,530.24	10,191.63	8,338.61	
December-07	18,172.84	0.00	90.86	18,081.98	245.09	18,327.07	10,079.89	8,247.18	
January-08	22,978.76	0.00	114.89	22,863.87	163.80	23,027.67	12,665.22	10,362.45	
February-08	20,300.78	0.00	101.50	20,199.28	194.90	20,394.18	11,216.80	9,177.38	
March-08	22,809.57	0.00	114.05	22,695.52	157.58	22,853.10	12,569.21	10,283.89	
April-08	70,162.28	0.00	350.81	69,811.47	117.38	69,928.85	38,460.87	31,467.98	
May-08	23,420.96	0.00	117.10	23,303.86	160.46	23,464.32	12,905.38	10,558.94	
June-08	22,629.41	0.00	113.15	22,516.26	57.43	22,573.69	12,415.53	10,158.16	
July-08	18,705.15	-3,510.99	75.97	15,118.19	100.33	15,218.52	8,370.19	6,848.33	
	534,855.76	-3,510.99	2,656.72		3,284.06				
							Due	Due	
	Deposits						Kent	Franklin	
Feb - April 2007	83,987.49	0.00	419.93				46,073.57	37,696.57	
May - July 2007	155,523.20	0.00	777.62				85,780.59	70,184.13	
Aug - Oct 2007	57,816.03	0.00	289.09				31,855.78	26,063.83	
Nov 07 - Jan 08	59,500.89	0.00	297.50				32,936.74	26,948.24	
Feb - April 2008	113,272.63	0.00	566.36				62,246.88	50,929.25	
Mar - Jul 2008	64,755.52	-3,510.99	306.22				33,691.10	27,565.43	
							292,584.66	239,387.45	531,972.11
							258,893.56	211,822.02	470,715.58
							33,691.10	27,565.43	61,256.53
Maintenance Set-Aside			2,656.72				Balance Remaining		2,615.08
Bank Fees			-41.64						
Balance Maint. Set-Aside			2,615.08						0.00