

For Immediate Release

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Cities Join Forces to Reduce Natural Gas Prices

Centerville, Ohio (July 27, 2009) – The Dayton area has had little in the way of good financial news in recent months, but some natural gas customers of seven south suburban cities will soon see that change.

Through the Miami Valley Communications Council (MVCC), the cities of Oakwood, Miamisburg, West Carrollton, Moraine, Centerville, Germantown and Kettering have joined a Natural Gas Aggregation program that brings consumers together as a buying group to negotiate lower natural gas prices. The group represents the purchasing power of 42,000 natural gas customers.

Natural Gas Aggregation programs were made possible when the Ohio legislature passed a law in 2001 giving local governments the opportunity to aggregate customers for group purchasing of natural gas.

“Groups such as our seven participating cities are purchasing large blocks of energy and thus are able to negotiate discounts on their energy prices,” said George Bayless, chairman of the MVCC, a council of governments certified by the Public Utilities Commission of Ohio as a Governmental Aggregator for the seven-city group. “This is the only program of its kind in the Greater Dayton area.”

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Starting with the billing of September or October 2009 (depending on when the meter is read), through March 2010, all residential customers and those businesses that use less than 5,000 ccf of natural gas per year, will pay \$0.046 per ccf less than the standard price charged by Vectren. The average residential customer will save an estimated \$45 - \$55 annually, and a commercial establishment, \$200 - \$250.

A new price will be negotiated for the period from April 2010 through July 2011. If an acceptable price cannot be arrived at, the program will be cancelled.

Eligible customers in the seven cities will receive a letter in early August offering them 21 days to “opt out” of the program if they don’t want to participate. They may also leave the program at any time at no additional cost and return to the natural gas supplied by Vectren.

Customers currently using an alternate gas supplier, not current on Vectren bills, or enrolled in the Percentage of Income Payment Plan (PIPP) are not eligible.

To implement the Natural Gas Aggregation program, MVCC entered into an agreement with Interstate Gas Supply (IGS) to supply the natural gas. IGS administers the program, provides consumer information, and responds to customers’ questions and phone calls.

Vectren provides its distribution network and consolidated billing for gas services to the customer. Consumers will receive only one bill.

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The program is managed for the seven cities by American Municipal Power's subsidiary, AMPO Inc., a Columbus-based, non-profit, municipal-power corporation with 127 member communities in Ohio, Pennsylvania, Michigan, Virginia, West Virginia and Kentucky.

Residents may learn more by contacting the following:

- Interstate Gas Supply Customer Service at 800-280-4474 or www.igsenergy.com; or
- Vectren Energy Delivery Customer Service at 800-227-1376 or www.vetrenenergy.com

Ohio deregulated natural gas in 2000, giving consumers a choice of natural gas suppliers. In 2001, Ohio passed a law giving local governments the opportunity to aggregate customers for group purchasing of natural gas. The state's deregulation law mandates voter approval of municipal aggregation programs. Thus, the Natural Gas Aggregation program in each of the seven cities has been approved by voters. The cities have adopted legislation authorizing both opt-in and opt-out provisions for the program. The legislation also authorizes the MVCC to coordinate and administer the program.

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