

# NOPEC Summary



# Presentation Summary

1. Energy Deregulation in Ohio
2. Aggregation Trends
3. Benefits of Aggregation
4. NOPEC Summary
5. Next Steps

# Energy Deregulation

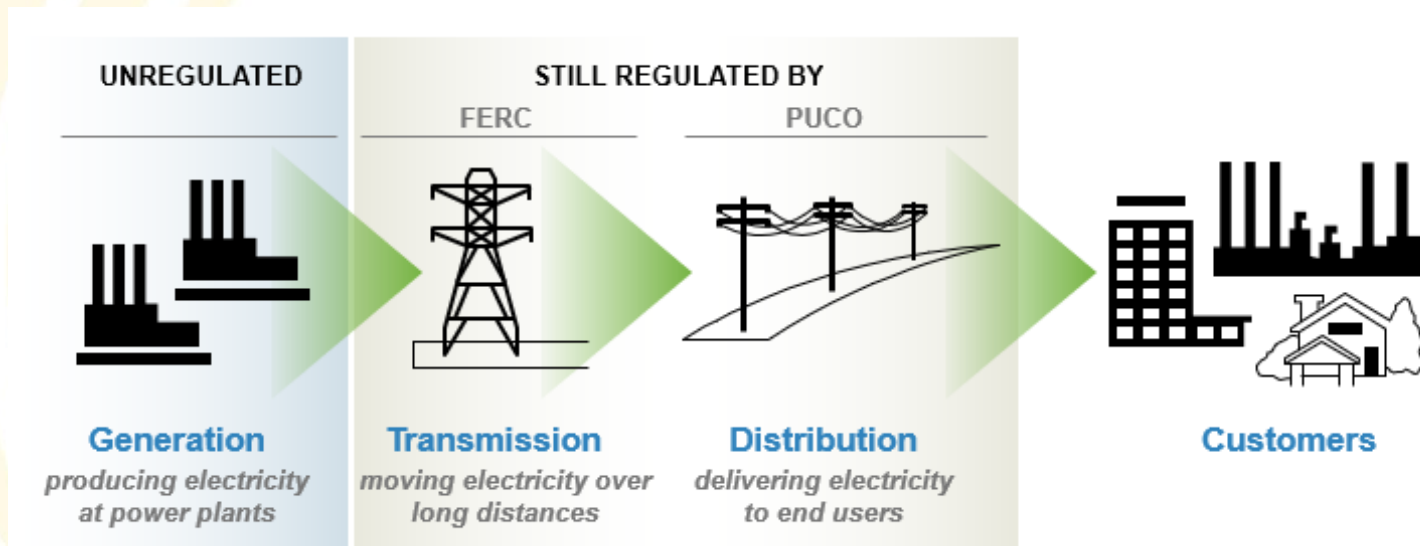
Gas deregulation began in Ohio in 1997 – HB 476

Electric deregulation began in 2001 - SB 3

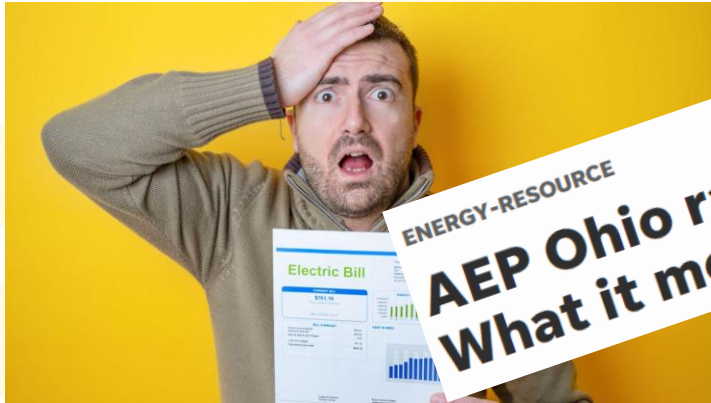
Both included provisions for **opt-out aggregation** by communities

GOAL: Provide Choice and Discounted Pricing to Residents

METHOD: Separate the **generation** from **distribution**.



# Ohio Energy Market



ENERGY-RESOURCE

**AEP Ohio rate hike kicks in June 1:  
What it means to your electric bill**



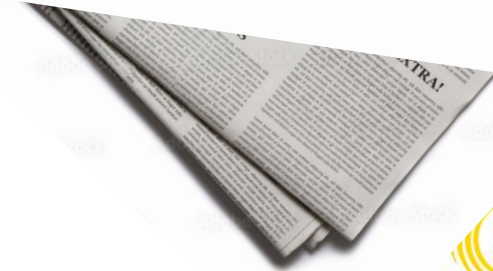
**AEP Ohio Electric Bill Prices  
Spike by Nearly 30%**



NEWS

**NOPEC gives many Ohioans an option to avoid  
this summer's big electric bill hikes**

Published: Mar. 24, 2023, 5:20 p.m.





# Opt Out Aggregation

- Allows communities to select an electric or gas supplier on behalf of the eligible residents and small businesses within their boundaries.
  - Note: Residents on PIPP or those already with an alternate supplier are not eligible
- All Accounts are in the program unless they affirmatively opt-out.
- Communities (Cities/Townships) must pass a ballot issue to participate
  - Gahanna Ballot issues passed (Electric – Nov. 2000 & Gas – Nov. 2003)
- Communities must adopt a Plan of Operation and Governance and be certified by the PUCO
  - NOPEC members are certified as a single entity
  - New Members adopt the NOPEC Plan of Operation and Governance and are then added to the NOPEC PUCO Certification

# Benefits of Aggregation

- Potential for savings due to larger buying power
- Ability to negotiate better Terms and Conditions
- Allows for more pricing/product options such as renewables
- Helps communities better manage their collective energy goals
- Protects participants from confusing or misleading offers



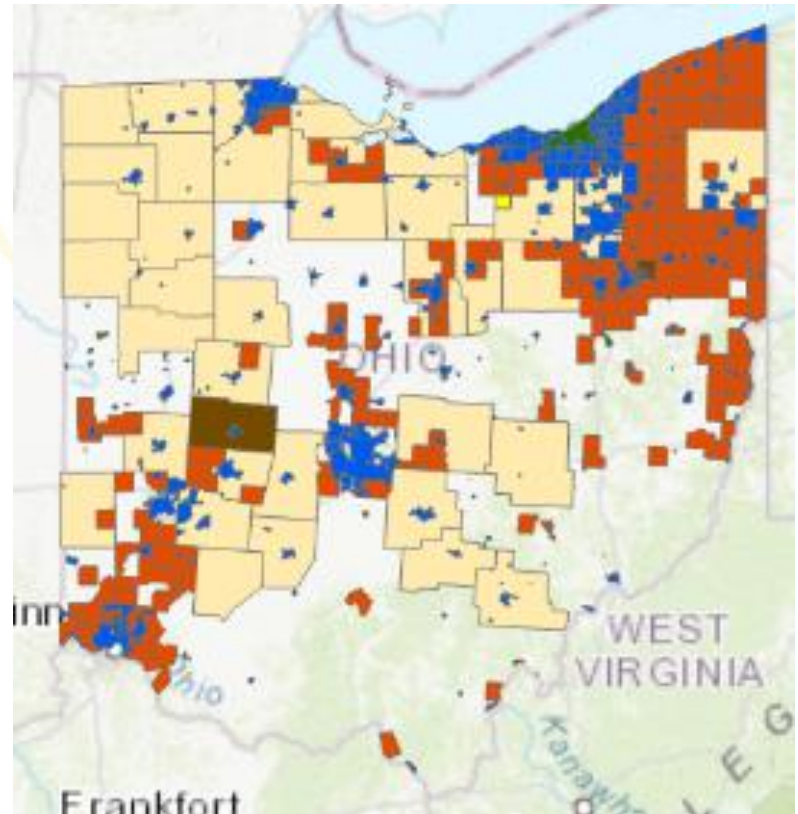
# Results of Aggregation

## Opt-Out Aggregation continues to grow in Ohio

**Electric** Aggregation in AEP – 61% of the accounts switched to an alternate supplier are through community aggregation programs. (PUCO Market Monitoring Data 2023)

**Natural Gas** – 42% switching in Columbia Service Territory (aggregation statistics are not available)

**NOPEC** serves 240 communities in 19 counties accounting for 44% of the total aggregation programs in Ohio



# Who is NOPEC?

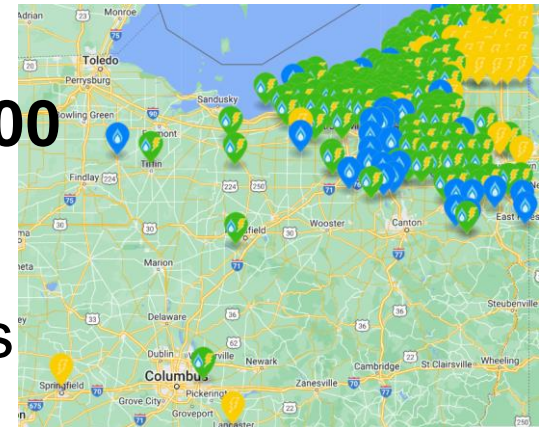


## Northeast Ohio Public Energy Council

**Founded by Community Leaders in 2000**

**Non-Profit Council of Governments**

- Operated by the member communities



**Largest Public Energy Aggregation in Ohio**

- Since 2001, customers have saved over \$300M
- 480,000+ electric and 440,000+ gas customers
- 240 communities in 19 counties

**Newest Community Member – Reynoldsburg – 2023  
Electric and Natural Gas**





# The NOPEC Mission

## **NOPEC exists to:**

Serve our Member Communities & Consumers – As a Council of Governments, NOPEC is uniquely positioned to support Ohio communities with attaining their aspirational goals.

## **NOPEC Core Focus:**

Aggregate, Educate, and Advocate For Our Members



## AGGREGATE

Using the collective buying power of 240 Ohio communities and their residents and small businesses, we negotiate for lower energy rates and better terms and conditions. Leveraging this buying power, we can offer customers a choice of energy products while also supporting the development of clean and renewable energy resources.



## EDUCATE

NOPEC educates community officials, residents, and businesses on ways to reduce their carbon footprint while providing energy-saving tips to help them save even more on their energy bills. We also support energy education opportunities for Ohio students to learn about energy generation and the importance of energy efficiency.



## ADVOCATE

NOPEC protects Ohio energy consumers from unreasonable utility rate increases and unfair regulation while preserving consumer choice in the energy industry by fighting for consumer-friendly energy policies. We also advocate for legislation and administration of Ohio's utilities to make it even easier and more affordable to be sustainable.

# NOPEC Values

- Committed to serving the interests of the communities and publics we represent
- Robust sustainability & consumer advocacy agenda
- Dedicated Relationship Management Team
- Best in class Customer Care Center
- Transparency, Longevity & Financial Stability
- Develop products and programs based on ongoing outreach and research with customers and communities

# NOPEC Membership Benefits

## Member-Benefit Programs:

- **NOPEC Energized Community Grants**
  - \$48.5M+ grant awards since 2001
- **NOPEC Event Sponsorships**
  - \$300,000 sponsorship awards in 2022
- **Community Energy Outreach Programs**
  - Education tools for Seniors, schools and libraries
- **Do Not Knock Program – 21 Member Communities Participating**
  - Turnkey program maintained by NOPEC that prohibits door to door solicitation to enrolled households

### Here are some examples of the types of projects funded:

- Lease or purchase of plug-in electric vehicles
- Traffic signal upgrades
- Energy-efficient windows
- Solar-powered LED stop signs
- Energy-efficient HVAC systems
- Electrical upgrades
- Generators
- Door replacement
- LED lighting upgrades
- Service garage insulation
- Energy-efficient metal roof system
- Installation of radius ceiling fans
- Energy-efficient kitchen appliances



# NOPEC Membership Benefits

## Member-Benefit Programs:

- **PACE & STEP Commercial & Industrial Loans**

- NOPEC offers low-interest loans for energy improvement projects on commercial and industrial properties through its PACE and STEP Programs. These loans enable property owners to get the capital they need to make energy-efficiency upgrades.

**\$2.9M** FUNDED 8 PROJECTS  
IN 2022

2022 PROJECTS	PROJECT TYPE	COMMUNITY	FINANCED	IMPROVEMENTS	ANNUAL EST. SAVINGS
Castle Block	PACE	Ashtabula	\$500,000	Lighting, roofing, water heaters, solar photovoltaic system, windows, heating and cooling systems	\$43,315
Heritage Office	PACE	Moreland Hills	\$700,000	HVAC systems, lighting, roof replacement, control systems, coiling electrical hardware, elevator improvements, generator replacement	\$64,816
20314 Chagrin	PACE	Shaker Heights	\$373,000	HVAC systems and controls, roofing, lighting	\$18,620
River Bend Hotel	PACE	Ashtabula	\$500,000	HVAC, lighting, electric equipment	\$8,000
Symba & Snap	PACE	Cleveland	\$400,000	HVAC controls, lighting, ventilation, windows	\$26,672
Fitzwater Place	PACE	Brecksville	\$255,000	HVAC systems and controls, roofing, lighting	\$16,982
11340 Brookpark Rd.	STEP	Cleveland	\$125,000	HVAC controls, lighting, ventilation	\$5,538
Isolnet	STEP	Mentor	\$48,505	HVAC, lighting, roofing	Up to 60% savings based on project



# NOPEC Membership Benefits

## Energy Advisor Program

- No cost analysis of your energy usage and costs

## Preferred Pricing Program

- Wholesale electric and natural gas pricing available to member communities for their publicly owned buildings and facilities
- Prices published on web as a resource to compare existing private supply contracts or consultant offers
- Multiple year fixed prices with no early termination fee

### PREFERRED PRICING PROGRAM

We delivered significant savings to our member communities by offering them the opportunity to buy electricity and natural gas for their municipal loads at cost. Communities can even choose 100% renewable energy content, via 100% renewable energy credits, at wholesale pricing for their municipal and street lighting accounts.

**288** GAS ACCOUNTS  
IN 57 COMMUNITIES

**48** STREET LIGHT ACCOUNTS  
IN 25 COMMUNITIES

**792** ELECTRIC ACCOUNTS  
IN 36 COMMUNITIES

# NextEra Partnership

**NextEra Energy Services Ohio, LLC is NOPEC's electric and natural gas supplier**

- NextEra Energy, Inc. is a leading clean-energy company that is best-in-class among energy suppliers
- ***NextEra is a Financially Strong Energy Industry Leader***
  - Fortune 200 company, with revenues of ~\$17.5 billion and ~45,000 MW of generating capacity
  - Currently the largest integrated utility company in the world by market capitalization
  - Rated A-, A-, and Baa1 by Fitch, S&P, and Moody's
- ***Awards & Recognition***
  - Ranked #1 in the utilities industry on *Fortune's 2020* list of "World's Most Admired Companies®"



# Ohio Renewable Projects

NOPEC's partner, NextEra, has a proven reputation of success and unmatched experience in developing, constructing, managing and operating solar, wind and battery storage projects across North America.



NextEra Energy Resource's Distributed Generation (NEER DG) offers a diverse portfolio that allows NextEra to create tailored solutions to meet customer energy and sustainability needs

## Ohio Experience

54MWac (Megawatt Alternating Current) existing ground-mounted solar installations currently in operation in OH (Darke, Marion, Medina, Miami, Shelby, Stark, Wayne, and Wood counties)

**NextEra announced in May 2023, an *additional 45 MWac* ground-mounted solar projects to be developed in Columbus, OH (Franklin county)—in-service 2023 That is enough to power more than 33,000 homes.**

# Choosing a Supplier

- Communities choose how to find a supplier from 3 main methods
  - Community issued RFP to select supplier
  - Hire a consultant to issue an RFP, who selects a supplier
  - Join NOPEC, existing supplier with negotiated terms
    - No RFP needed
    - NOPEC facilitates the process
- Supplier performs the tasks below:
  - Obtain eligibility file from the utility (only non-shopping/non-PIPP are eligible)
  - Mail opt-out notifications to eligible accounts (21 Day opt-out)
  - Handle customer care responsibilities
  - Process opt-outs returned
  - Enroll accounts that did not opt-out





# Next Steps

**Here is a sample timeline of events should Gahanna move forward with NOPEC membership**

- Sept 18, 2023 – Introduce needed legislation to join NOPEC and set public hearing dates
- Sept. 19, 2023 – Place legal notice of public hearing dates (must be published once in each of the two weeks prior to the hearings)
- October 2, 2023 – Second reading on legislation
- October 16, 2023 – Public Hearings conducted and passage of legislation
- Oct 17, 2023 – NOPEC/NextEra requests the utility list(s)
- November 2023 – Opt-outs mailed
- December/January – Enrollments begin by meter read dates

# QUESTIONS



# THANK YOU

