

**AGREEMENT
FOR MUNICIPAL NATURAL GAS AGGREGATION
PROGRAM MANAGEMENT SERVICES
BETWEEN
AMPO, INC. AND THE CITY OF GAHANNA**

This Agreement For Municipal Natural Gas Aggregation Program Management Services (hereinafter "Agreement") dated _____ is made and entered into by and between AMPO, Inc. (hereinafter, "AMPO") and the City of Gahanna (hereinafter, "Municipality") has been agreed upon as of _____ ("Effective Date"). Either may also be referred to individually as "Party," and when referred to collectively, "Parties."

WHEREAS, AMPO provides consulting and other aggregation facilitation services to local governmental entities; and

WHEREAS, the Municipality desires to begin an opt-in or opt-out natural gas aggregation program, as authorized by Ohio Revised Code Chapter 4929, to promote competitive natural gas supplies and other benefits for its residents; and

NOW THEREFORE, in consideration of the promises and mutual covenants herein set forth, and for other good and valuable consideration, and intending to be legally bound, the parties agree as follows:

Section 1 – SCOPE OF SERVICES

AMPO will provide the services set forth in AMPO's Proposal for Municipal Natural gas Aggregation Program Management Services for the City of Gahanna, Ohio (hereinafter, "Proposal"), attached hereto and incorporated herein as Exhibit A. The Proposal covers consulting and facilitation services for the formation and operation of a natural gas municipal aggregation program as authorized by Chapter 4929, Ohio Revised Code.

Section 2 – PAYMENT

The certified retail natural gas supplier providing service to the Municipality's aggregation program shall compensate AMPO at the rate and in the manner set forth in AMPO's Proposal for the

services, Exhibit A hereto, so long as the certified retail natural gas supplier is providing services to underlying consumers pursuant to the Municipality's aggregation program.

Section 3 – TERM

The initial term of this Agreement shall commence on the Effective Date and shall continue for the duration of any agreement or contract between the Municipality and any retail natural gas supplier selected to serve the Municipality's natural gas aggregation program, and thereafter shall continue for successive periods of one year unless terminated by either Party by giving not less than ninety (90) days' written notice of such termination prior to the end of the initial term or any successive or renewal periods.

Section 4 – INDEPENDENT PARTIES AND LIABILITY

Nothing in this Agreement shall constitute or be construed as constituting or tending to create an agency, partnership, master-servant or employer-employee relationship between AMPO and Municipality. This Agreement does not confer any rights or remedies upon any person or entity not a Party to this Agreement. Neither party shall be liable to a third party not a Party to this Agreement for any unauthorized act or omission on the part of the other Party, nor for any unauthorized obligation or debt incurred by the other Party.

NOTWITHSTANDING ANYTHING TO THE CONTRARY, NEITHER PARTY SHALL BE LIABLE TO THE OTHER PARTY FOR ANY SPECIAL, CONSEQUENTIAL, OR INDIRECT DAMAGES, AND ALL CLAIMS FOR DAMAGE SHALL BE LIMITED TO TERMINATION OF THIS AGREEMENT AND DIRECT DAMAGES.

Section 5 – Confidentiality

In the course of fulfilling their duties and obligations under this Agreement, each Party may obtain access to proprietary information of the other party (hereinafter, "Protected Information"). Protected Information includes but is not limited to marketing strategies, customer data, and pricing information. The parties shall take care so as not to disclose Protected Information, whether transmitted in paper, electronically, or verbally.

Information that is disclosed by one Party to the other which the disclosing party believes is proprietary shall be deemed Protected Information, only if such claim of confidentiality is conspicuously disclosed in writing or other tangible form that is marked "confidential" or "proprietary" at the time of transmittal or if disclosed verbally is described as confidential or proprietary at the time of the conversation and the disclosing party also supplements the verbal transmittal with a transmittal in writing or other tangible form that is conspicuously marked "confidential" or "proprietary" within five (5) days of the verbal disclosure. Each party shall have the right to correct any inadvertent failure to designate information as Protected Information by providing the other Party with timely written notification of the error, and the designated information shall be treated as Protected Information from the time a Party receives the written notification. If either Party makes an unauthorized disclosure of the other Party's Protected Information, that fact shall be communicated to the disclosing Party and the disclosing Party shall take reasonable efforts to retrieve the lost or disclosed information. Notwithstanding such claims of

confidentiality, the Party to whom Protected Information is disclosed shall have no obligation to preserve the confidential nature of any information which includes but is not limited to information that (i) was previously known to such Party free of any obligation to keep it confidential, (ii) is or becomes publicly available by means other than unauthorized disclosure; (iii) is developed by or on behalf of such Party independent of any information furnished by the Party seeking confidential treatment; or (iv) is received from a third party when such disclosure does not violate the confidentiality obligations under this Agreement.

In the event that the receiving Party or its representatives need to make disclosures of Protected Information or becomes legally compelled to disclose any Protected Information or is required to disclose Protected Information pursuant to its public records requirements, the receiving Party shall provide the disclosing Party with timely notice so that procedures may be developed to limit the disclosure to the greatest extent possible or so that the disclosing Party may seek a protective or other order to limit disclosure. A receiving Party shall furnish only that portion of the Protected Information that is required to be disclosed and shall do so only upon the advise of the receiving Party's legal counsel.

Protected Information shall be deemed the property of the disclosing Party. The receiving Party shall return or destroy all designated Protected Information within ten (10) business days of receiving a written request by the disclosing Party that the designated Protected Information is being withdrawn from the receiving Party's possession and control. In case the receiving Party elects to destroy the designated Protected Information, it shall certify in writing to the destruction of the information.

Notwithstanding any of the foregoing, each Party may retain one (1) copy of the same solely for record retention purposes and subject to the terms and conditions contained herein.

Section 6 – OTHER PROVISIONS

a. Entire Agreement

This Agreement contains all of the terms and conditions of the agreement reached by the Parties hereto, and supercedes all prior oral or written agreements with respect to this Agreement. This Agreement may not be modified, amended, altered or supplemented, or the provisions hereof waived, except by written agreement signed by the Parties hereto.

b. Applicable Law and Jurisdiction

This Agreement shall be governed by and construed in accordance with the laws of the State of Ohio. The Parties consent to and shall not challenge the jurisdiction of the courts of Franklin County, Ohio over this Agreement.

c. Notice

Any notice or other communication required or permitted to be given under this Agreement shall be in writing and shall be sent by overnight express service or mailed by certified mail, return receipt requested, postage prepaid, addressed to the Party at the addresses set forth above. All notices and other communications shall be deemed given at the expiration of three days after the date of mailing. The address of a Party to which notices or other communications shall be mailed may be changed from time to time by giving written notice to the other Party according to the terms herein.

AMPO:

AMPO General Manager
2600 Airport Drive
Columbus, Ohio 43219

Municipality:

d. Waiver

No waiver of any term, provision, or conditions of this Agreement, whether by conduct or otherwise, in any one or more instances, shall be deemed to be, or shall constitute a waiver of any other provision hereof, whether or not similar, nor shall such waiver constitute a continuing waiver, and no waiver shall be binding unless executed in writing by the Party making the waiver.

e. Severability

Any provision in this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions or affecting the validity or enforceability of such provision in any other jurisdiction. The non-enforcement of any provision by either Party shall not constitute a waiver of that provision nor shall it affect the enforceability of that provision or of the remainder of this Agreement.

f. Counterparts

This Agreement may be executed and delivered in counterparts, each of which shall for all purposes be treated as the original hereof and all of which shall constitute a single agreement.

g. Prefatory Statements

The Parties hereto agree and acknowledge that the prefatory statements in this Agreement are intended to be and shall be a part of the provisions of this Agreement.

h. Assignment

This Agreement may not be assigned by any of the Parties without the prior written consent of the other Party, and may not be amended or modified except by a written agreement signed by each Party. Subject to the foregoing, this Agreement shall be binding upon and inure to the benefit of any permitted successors and assigns.

i. Representations and Warranties

Each Party represents and warrants to the other the following: (a) It is duly organized and validly existing under the laws of the jurisdiction of its organization or incorporation and, if relevant under such laws, in good standing; (b) It has the corporate, governmental and/or other legal capacity, authority and power to execute and deliver this Agreement, and to perform its obligations under this Agreement and has taken all necessary action to authorize such execution, delivery and performance; (c) The execution, delivery and performance of this Agreement by it will not result in any breach of or default under any term or provision of any agreement, instrument, judgment, decree, order, statute, rule or governmental regulation to which it is a party or by which it may be bound. Each person who executes this Agreement on behalf of either Party represents and warrants that he or she has full and complete authority to do so and that such Party will be bound by the Agreement.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement to be effective as of the Effective Date.

AMPO, Inc.

By: _____
Marc S. Gerken, P.E.
President

Date: _____

MUNICIPALITY:

By: _____

Date: _____

Approved as to form:

By: _____

Date: _____

Exhibit A



Proposal for Municipal Natural
Gas Aggregation Program
Consulting Services for the City
of Gahanna, Ohio

AMPO, Inc.
2600 Airport Drive
Columbus, Ohio 43219

Organization Background

AMP-Ohio

Founded in 1971, Columbus based American Municipal Power-Ohio (AMP-Ohio) was organized as a nonprofit corporation for the purpose of owning and operating electric facilities or otherwise providing for the generation, transmission and/or distribution of electric power and energy to its member communities. Members include 80 of Ohio's 86 municipally owned electric systems, two West Virginia public power communities and three in Pennsylvania, ranging in size from 116 customers to more than 80,000 customers. Collectively, AMP-Ohio member communities serve approximately 364,000 customers.

AMP-Ohio coordinates, negotiates and develops power supply options and interchange agreements on behalf of its members. AMP-Ohio also owns and operates the Richard H. Gorsuch Generating Station, a 213-megawatt coal-fired facility located in Marietta, Ohio, that provides power to 48 participating communities, and has undertaken an ambitious program of siting distributed generation in member communities throughout Ohio. In addition, AMP-Ohio serves as an independent project manager for Ohio members participating in joint ventures to share ownership of power generation and transmission facilities, including the OMEGA JV5 project, a 42 MW run-of-the-river hydroelectric power station completed on the Ohio River in 1999.

AMP-Ohio also operates a sophisticated 24-hour energy control center that monitors electric loads and transmission availability, dispatches, buys and sells power and energy and controls AMP-Ohio and member-owned generation. A competent in-house engineering, operations, safety, power supply, key accounts, economic development, rate and environmental staff is available at AMP-Ohio's headquarters to assist member communities in addition to performing AMP-Ohio duties and providing support to the joint ventures.

AMP-Ohio's knowledgeable, experienced staff understands the unique challenges faced by local government staff and elected officials. AMP-Ohio is governed by a 16-member Board of Trustees, all of who are local government representatives, and a number of AMP-Ohio staff members—including its president—once worked for local governments.

AMPO, Inc. ("AMPO")

Formed in 1998, AMPO, Inc. is a wholly owned, taxable subsidiary of AMP-Ohio whose purpose is to provide direction and service to local governments and other energy consumers in evolving energy markets. This includes the development and implementation of local electric and natural gas aggregation programs, review and negotiation of energy contracts, and the evaluation and implementation of energy supply alternatives for local business, industry and government. AMPO, Inc. has been an approved supplier in the Columbia Gas of Ohio CHOICESM and Dominion East Ohio Energy Choice programs and currently works with over 40 Ohio communities to offer natural gas and/or electric aggregation programs to residential and small commercial customers.

Scope of Services

AMPO, Inc. proposes to perform the following services on behalf of the municipality:

Phase I—Developing and Implementing A Municipal Natural Gas Aggregation Program

- Provide and assist with developing model ordinances to create opt-in or opt-out natural gas aggregation programs.
- Coordinate and work with municipal local officials and staff to develop a procurement strategy for reliable and competitive natural gas supplies and related services for the natural gas aggregation program.
- Assist with the preparation of a Plan of Operation and Governance for the natural gas aggregation program.
- Coordinate and assist with the preparation and filing of the required aggregation certification documents with the Public Utilities Commission of Ohio (“PUCO”).
- Assist with performing the PUCO requirements for governmental aggregation programs.
- Provide consulting services and administer the process of negotiating with certified natural gas suppliers, developing and soliciting requests for quotations (“RFQ”) or requests for proposals (“RFP”).
- Evaluate and manage the ongoing negotiations and/or RFQ or RFP.
- Analyze the negotiations and/or RFQ or RFP’s from certified retail natural gas suppliers and make recommendations to local officials and staff.
- Assist with developing and negotiating the contract with the certified retail natural gas supplier to serve the aggregation program.
- Assist the municipality in executing and administering agreements with the selected certified retail natural gas supplier.

Phase II—Municipal Natural Gas Aggregation Program Management Services

- Coordinate the PUCO customer notifications and other requirements for enrolling residents in the municipal natural gas aggregation program.
- Work with and assist the municipality, the certified retail natural gas supplier, and the natural gas local distribution company to facilitate the enrollment of customers in the municipal natural gas aggregation program at the earliest date practicable.
- Work with the certified retail natural gas supplier to coordinate and communicate with the municipality regarding enrollments in the municipal natural gas aggregation program, cost savings to participants, and other related matters.
- Assist the municipality in developing effective consumer education materials to explain the aggregation program and make community presentations as needed.
- Assist with monitoring proceedings of applicable legislative and regulatory bodies and provide analysis and updates on changes that may impact the municipal natural gas aggregation program, its participants, or the municipality.

- Represent the municipality at meetings with the certified retail natural gas supplier and the local distribution company concerning the municipal natural gas aggregation program rates, terms and conditions of service, customer concerns, etc.
- Assist and work with the municipality to prepare and file annual reports required by the PUCO and Section 4905.10(A) and Section 4911.18(A), Ohio Revised Code.
- Coordinate with municipal legal counsels to facilitate legal reviews and/or opinions that may be needed in connection with the aggregation program. Please note that the performance of any legal work, including but not limited to the legal reviews and/or opinions, are beyond the scope of AMPO's services.
- As the initial term of the certified retail natural gas supplier contract agreement nears its end, repeat Phase I activities to secure ongoing competitive natural gas supplies and related services for the municipal natural gas aggregation program.

Schedule

AMPO, Inc. is in position to commence work on this project upon notification to proceed.

Compensation

Phase I: AMPO, Inc. proposes to provide the above-described Phase I consulting services at an hourly rate of \$75 per hour with an estimated cost of \$3,000.

Phase II: AMPO, Inc. proposes to provide the above-described Phase II consulting services for five cents per thousand cubic feet (\$0.05 per Mcf) applied to the consumption of natural gas by participants of the natural gas aggregation program. The certified retail natural gas supplier shall pay this fee.

Additional Experience

AMPO, Inc. is currently assisting or has assisted the following Ohio communities in the development and implementation, or administration of municipal electric aggregation programs:

City of Alliance
 City of Bexley
 City of Defiance
 City of Dublin
 City of Gahanna
 City of Huron
 Village of LaGrange

City of Lancaster
 City of London
 City of Louisville
 City of Reynoldsburg
 City of Sandusky
 Village of Stryker
 City of Upper Arlington

AMPO, Inc. is currently assisting or has assisted the following Ohio communities in the development, implementation, or administration of municipal natural gas aggregation programs:

City of Bowling Green
Village of Bradner
City of Celina
City of Chagrin Falls
City of Clyde
Village of Coldwater
Village of Columbiana
City of Cuyahoga Falls
City of Dover
Village of Elmore
Village of Fort Recovery
City of Fostoria
City of Galion
City of Gallipolis
Village of Genoa
Village of Grafton
City of Hudson
City of Jackson
Village of Lodi
Village of Milan

Village of Monroeville
City of Newton Falls
City of Niles
Village of Oak Harbor
City of Oberlin
Village of Ohio City
City of Orrville
City of Painesville
Village of Pemberville
Village of Prospect
Village of Republic
Village of St. Henry
City of St. Marys
City of Sandusky
Village of Shawnee Hills
City of Shelby
Village of Sycamore
City of Wadsworth
City of Wapakoneta

Team Members

Gregory Slone is the General Manager of AMPO, Inc., coming to the organization in April, 2001. As General Manager, Mr. Slone oversees the day-to-day operations of the electric and natural gas aggregation activities for the organization. In this position, he develops energy supply needs and strategies for municipalities, monitors daily and long-term energy costs, and negotiates arrangements with customers, energy suppliers, transporters and local distribution companies. Mr. Slone comes to AMPO, Inc from Columbia Gas of Ohio, where he worked for over 20 years in various engineering, marketing and management positions. Most recently, he was Director of Sales for Columbia Gas of Ohio. Mr. Slone has a B.S. degree in Civil Engineering from the Ohio State University.

Robert Simmers is a marketing consultant who came to AMPO, Inc. after a long career in the natural gas utility industry. Bob worked for 31 years with Columbia Gas of Ohio and with Columbia Gas of New York. His entire career was spent in the various transformations of those utility's sales and marketing departments, through times of shortage and allocation, high and low gas prices, and the evolution of gas transportation and customer choice. Bob had a variety of responsibilities including industrial and commercial sales and marketing, public relations, communications, rate negotiation, supervision and management, and client management. Mr. Simmers has a B.S. degree in Civil Engineering from Ohio Northern University.

Bobby Singh is an attorney with the law firm of Chester, Willcox and Saxbe, LLP. Mr. Singh's practice focuses on issues involving electric and natural gas energy and utility services. He has over eight years of experience in the energy and utility industries through legal, engineering, management, and marketing positions. Mr. Singh represents clients in transactions and proceedings; evaluates and provides advice on issues related to legislative and regulatory compliance and planning; and counsels' clients on the competitive procurement and development of energy and utility services in deregulated and regulated environments. Prior to that, Mr. Singh worked for Columbia Gas of Ohio for about seven years in engineering, marketing and management positions, most recently as Senior Engineer. Mr. Singh received his J.D. degree (*Summa Cum Laude, Order of the Curia*) from Capital University Law School and his B.S. degree in engineering from Penn State University is an attorney in the Columbus, Ohio law firm of Chester, Willcox & Saxbe LLP.

Gerald E. Willman serves as Manager of Power Supply and Marketing for AMP-Ohio. In this capacity he is responsible for power supply planning, supply acquisition, and transmission system reservation and use. Mr. Willman joined AMP-Ohio as a Power Coordinator in 1990 and was responsible for forecasting, scheduling and dispatching AMP-Ohio's generation and member contract resources with the real time load of AMP-Ohio's member communities. Mr. Willman was then promoted to Director of Billing in AMP-Ohio's finance department. In that capacity he was responsible for power supply contract billing for AMP-Ohio's partial and full requirements customers. Mr. Willman received his B.S.E.E.T from the DeVry Institute of Technology.

Kent Carson is Director of Member Relations for AMP-Ohio with a background in media relations. He's the former Communications Director for the Speaker of the Ohio House of Representatives, served as Public Information Officer and principal media contact for Columbus City Council and is the former Corporate Communications Director for the Central Ohio Transit Authority (COTA). Kent joined the AMP-Ohio staff in July, 2000.

Beth A. Barnett serves as Energy Supply Analyst. In this capacity, she is responsible for energy supply planning, purchasing and billing. Before joining AMP-Ohio in April 2000, Ms. Barnett was a Power Analyst for Nicole Energy Services (NES) where she was responsible for purchasing, scheduling and managing the retail electric load as well as heading up the sales of government accounts for two years. NES is an electric power and natural gas marketer located in Columbus, Ohio serving customers throughout the Midwest. She served 10 years with American Electric Power in several capacities such as Senior Residential Marketing Representative, Commercial Marketing Representative and Special Projects Coordinator. Ms. Barnett has a Bachelors degree in Business Administration with an emphasis in Marketing from Franklin University in Columbus, Ohio.