

**CLEVELAND PUBLIC LIBRARY**

**Finance Committee**

October 18, 2016

**RESOLUTION TO RATIFY AGREEMENT FOR PURCHASE OF NATURAL GAS**

WHEREAS, On September 15, 2016 the Board of Library Trustees authorized the Executive Director or his designee to enter into an agreement for natural gas either through a broker or directly with suppliers that provided the best fixed price for periods of time up to and including 36 months, provided the rates do not exceed the rates currently being paid by the Library for gas, which is \$3.14 per MCF; and

WHEREAS, On September 14, 2016, the lowest prices for a 12 month term ranged from \$2.950 to \$3.321 per MCF; for a 24 month term the lowest prices ranged from \$3.390 to \$3.459 per MCF; and for a 36 month term the lowest prices ranged from \$3.550 to \$3.665 per MCF depending upon the supplier. On September 16, 2016, the Library, through North Shore Energy Consulting, LLC, received a contract from VolunteerEnergy for a 12 month term at the rate of \$2.95 per MCF; and

WHEREAS, The Library's Deputy Director executed into an agreement with VolunteerEnergy at the rate of \$2.95 per MCF from November 2016 through October 2017; now therefore be it

RESOLVED, That the Board of Library Trustees hereby ratifies the agreement entered into by the Library on September 16, 2016 for natural gas at the rate of \$2.95 per MCF for a 12 month term from November 2016 through October 2017.



**VolunteerEnergy**

9/14/16 Emailed to Scott Rafferty  
at Northshore Energy

790 A Windmill Drive,  
Pickerington, Ohio 43147  
Toll Free: 800-977-VESI  
Fax: (614) 856-3301

**ENERGY SUPPLY TERMS AND CONDITIONS**

These **ENERGY SUPPLY TERMS AND CONDITIONS** have important information you need to know before you commit to natural gas service from Volunteer Energy Services, Inc. ("VESI"). VESI is an Ohio corporation whose customers include a variety of Ohio natural gas end users. VESI's purpose is to provide to its members a competitive cost alternative for reliable supplies of natural gas. This is accomplished by purchasing wholesale energy supplies and services and then dispersing those supplies to VESI's customers. As a supply customer of VESI, you agree to the Terms and Conditions of VESI's natural gas supply contract.

**Note:** Switching from Columbia Gas/Dominion/Duke or from any other supplier to VESI will not result in the imposition of a switching fee.

**Term:** The Initial Term of this agreement shall be 12 months (billing cycles) beginning with the first billing cycle following LDC (Local Distribution Company) enrollment acceptance and approval, projected to commence November 1, 2016 and shall expire October 31, 2017. The LDC will provide distribution of that natural gas supplies at rates approved by PUCO (Public Utilities Commission of Ohio).

**Service Arrangements:** For the Initial Term of this agreement natural gas will be priced at a Fixed Rate of \$2.95 per Mcf measured at the burner-tip by the LDC. This price is exclusive of sales tax. *This agreement shall renew on a month-to-month basis at the expiration of the Initial Term unless cancelled by either party giving at least thirty (30) days written notice.* Gas delivered after the Initial Term will be the Monthly Market Price with gas rates that will adjust monthly. This price is exclusive of sales tax.

**Office Locations and Hours:** VESI's offices are located at 790 Windmill Dr., Pickerington, Ohio 43147 and are open from 8:30 AM to 4:30 PM E.S.T. Monday through Friday. VESI can be reached by telephone at 614-856-3128 or toll free at 800-977-8374. Telephone service hours are from 8:30 AM to 4:30 PM E.S.T. Monday through Friday.

**Bill Payment Process:** The utility will continue to bill you for their delivery services and also for VESI's natural gas supplies. Your monthly invoice will contain the utilities transportation charges and VESI's gas supply charges and is due by the date published on the invoice. VESI may terminate your membership and natural gas supply agreement upon thirty (30) days notice for failure to pay the bill or to meet any agreed upon payment arrangement.

**Complaint Dispute Resolution:** If you have any complaints regarding your natural gas service or your monthly bill, please contact us at 1-800-977-8374. Upon request, VESI will provide to you up to twenty-four months of your payment history without charge. If your complaint is not resolved after you have called VE, or for general utility information, residential and business customers may contact the Public Utilities Commission of Ohio (PUCO) for assistance at 1-800-686-7826 (toll free) from eight a.m. to five p.m. weekdays, or at <http://www.puco.ohio.gov>. Hearing or speech impaired customers may contact the PUCO via 7-1-1 (Ohio relay service). Additionally, the Ohio consumers' council (OCC) represents residential utility customers in matters before the PUCO. The OCC can be contacted at 1-877-742-5622 (toll free) from eight a.m. to five p.m. weekdays, or at <http://www.pickocc.org>.

**Amendment to Agreement:** VESI and Customer may amend VESI's Supply Agreement from time to time upon approval. Any amendments made would not take effect for a minimum of thirty (30) days and you will receive thirty (30) days written notice.

**Calls for Service Problems:** If you become aware of a gas emergency condition, or experience an unanticipated loss of gas service, you should contact the utility at the number listed on your gas bill.

Cust. Initials CF

Fixed at \$2.95 until 10/31/2017 then goes to variable.

Cancellation Fee: \$150.00 & Termination Fees Equal to Hedging Losses (If Any)  
Rev. 04/15



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**Credit:** We may verify your credit history with a credit reporting company upon your application for membership in VESI. Determination of credit worthiness will be by generally accepted business practices.

**Termination/Rescission of Agreement:** You may rescind your natural gas supply agreement with VESI within seven (7) days of the postmark on the notice from the incumbent gas utility notifying us in writing at the address identified above. After the initial seven (7) day period, you may terminate the contract at any time by providing the non-terminating party thirty (30) days written notice of such termination. You will remain responsible for all natural gas consumed by you prior to the actual cessation of services. A Cancellation Fee of \$150.00 per account will be charged for cancellation of a Fixed Rate Natural Gas Agreement prior to expiration of the Fixed Rate Natural Gas Agreement. In addition to the Cancellation Fee, if Customer cancels prior to the expiration of the fixed price term, Customer will be responsible for early termination fee equal to the losses sustained by VESI (including losses sustained as a result of VESI hedging the customer's load for the balance of the fixed price term) If your supply contract with VESI is terminated, your natural gas supply will automatically be provided by the utility under its standard tariff unless or until you choose another supplier. If you voluntarily terminate your membership in VESI, it is possible that Dominion East Ohio (DEO) may charge you more than their gas cost recovery rate.

This Agreement will automatically terminate upon the occurrence of any of the following: (1) the requested service location is not served by the incumbent natural gas company; (2) the customer moves outside the area served by the incumbent natural gas company or VESI.

Natural gas may only be shut off by the utility under procedures approved by the Public Utilities Commission.

**Program Compliance:** The utility's deregulation program is subject to the ongoing jurisdiction of the PUCO. If the PUCO cancels the program, this contract is rendered void with no penalty to either party. The laws of the State of Ohio will govern this agreement.

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**FIXED RATE NATURAL GAS SUPPLY AGREEMENT**

Execution of the Natural Gas Supply Agreement signifies my desire to be a customer of Volunteer Energy Services, Inc. (VESI). I agree to the ENERGY SUPPLY TERMS AND CONDITIONS that are incorporated herein by reference. I appoint VESI as my agent and authorize VESI to obtain usage history from my utility company.

Name: Cleveland Public Library

Mailing Address: 325 Superior Ave NE

City: Cleveland State: OH Zip: 44114

Daytime Phone: 216-623-2845 Fax:

Utility Acct #	Service Address	City	State	Zip
see attached	see attached	see attached		

\*Please attached additional sheet if needed.

Tax Exempt: 0% (If the commodity is used for fabricating or processing items for resale, churches, housing authorities etc.)

LDC	PRICE / BT Mcf	START	END
DEO	\$2.95	November 1, 2016	October 31, 2017

Customer Signature: Cindy Lombardo  
 Print Name: CINDY LOMBARDO  
 Title: DEPUTY DIRECTOR  
 Date: 11/16/16

Volunteer Energy Services, Inc.  
 By: \_\_\_\_\_  
 Print: \_\_\_\_\_  
 Its: \_\_\_\_\_  
 Date: \_\_\_\_\_

For Company Use Only:  
 AGENT/BROKER: North Shore Energy VE REP: Josh Schlupe  
 FIXED @ 2.95 Until: 10/31/2017 then renews @ Month-to-Month Variable Rate  
 CANCELLATION FEE:\$150.00 & Termination Fees Equal to Hedging Losses (If Any)

Rev. 04/15

