



History of NOPEC

The germination of energy aggregation in Ohio dates to the late 1990s. Starting in 1997, natural gas deregulation throughout selected portions of Ohio began as state law allowed the unbundling of programs in the Columbia Gas service area. By early 2000, the territory of the East Ohio Gas Company fell under deregulation rules.

By the latter part of 1998, dialogue in Ohio began to focus on the electric industry. As a part of its' bill to deregulate the electric industry in 1999 (S.B.3), the Ohio General Assembly included the concept of opt-out public aggregation as the means through which consumers could unite their singular purchasing power into a larger block of increased purchasing power. The law specifically allows and fosters opt-out governmental aggregation for the benefit of individual and small business consumers.

The Northeast Ohio Public Energy Council was formed as a council of governments in 2000. It represented 112 communities in eight northeast Ohio counties: Ashtabula, Lake, Cuyahoga, Lorain, Geauga, Portage, Summit, and Medina. Each NOPEC member community had to place the question of aggregation on a local ballot to be voted upon by its individual voters. Some communities placed two ballot questions before voters, one for the aggregation of electricity purchases and another for the aggregation of natural gas purchases, while others chose to place one or the other in front of their voters. As local voters consented to aggregate, local elected officials were

tasked under the law to choose an aggregator with whom to work. A group of these governments banded together to form NOPEC.

NOPEC began to approach communities to select NOPEC as their local purchasing aggregator. Once officially selected by enough communities to act in such a role, NOPEC entered into an electrical supply contract with Green Mountain Energy in 2001 to meet the supply demands of its new customer base. Natural gas programming started soon thereafter and the basic building blocks of today's NOPEC were in place.

The initial operational model under which NOPEC operated was heavily based on the usage of consultants to complete all of its meaningful business dealings. This seemed logical given the newness of the activities and the nature of the council of government's model. A large number of elected officials had come forward to establish NOPEC. These leaders had recognized that the Ohio Revised Code changes would create an unregulated utility market in Ohio and could, very probably, leave average citizens vulnerable to potentially large upswings in rate structure. They were aware but did not possess either the expertise or the time, as most were busy carrying out their elected duties, to move forward. The model worked and NOPEC soon began to provide its customer base with savings that were not available in other non-aggregation, non-participating communities.

But as the NOPEC umbrella grew and as its Board of Directors gained an increased understanding, the internal organization discussion turned to what time,





History of NOPEC *(continued)*

if any, would be reasonable for NOPEC to hire staff, develop and internal expertise, and to begin to rely more heavily upon direct employee resources.

In July of 2006 NOPEC hired a part time executive director. This position moved to full-time a year later and an administrative assistant position was created as well. At that time NOPEC recreated its call center operation through its suppliers. The original model required the public to leave messages with concerns/comments with an answering machines. Our call centers now guarantee that 95% of NOPEC callers receive a live person interaction within 30 second of the first ring.

As the State of Ohio continues to add choice, competition continues to flood the market. In response, in 2012 NOPEC added a marketing director, special projects director and an IT position to develop target marketing and product campaigns

to retain and grow our customer base. During the following years, NOPEC developed a demand side consumer engagement product called myNOPEC, a new customer friendly website, energy efficiency learning tools, and the first ever brand campaign and many other marketing tools were also developed and deployed. In 2013 the NOPEC general assembly approved two new community relationship positions to continue our growth and retention efforts and to provide members communities more responsiveness and assistance.

