



AGENDA
POWELL REGULAR COUNCIL MEETING
47 HALL STREET, POWELL, OH 43065
COUNCIL CHAMBERS
TUESDAY, JUNE 2, 2026
7:30 PM

I. CALL TO ORDER/ROLL CALL

II. PLEDGE OF ALLEGIANCE

III. CITIZEN PARTICIPATION

IV. APPROVAL OF MINUTES

- a. Approval of the minutes of the City Council minutes held on May 19, 2026.

[city-council_minutes_summary 05.19.2026.pdf](#)

V. CONSENT AGENDA

- a. DIVISION OF LIQUOR CONTROL NOTICE TO LEGISLATIVE AUTHORITY - Transfer of Ownership
To La Sosa, LLC, DBA Chapala, 240 North Liberty Street, Powell, Ohio 43065. From Gallops Powell, LLC, 240 North Liberty Street, Powell, Ohio 43065. Permit Class: D1, D2, D3

[1. Memo - Notice to Legislative Authority -TRFO 240 N Liberty St.pdf](#)

[2. Notice to Legislative Authority - TRFO 240 N Liberty St.pdf](#)

VI. RESOLUTIONS

- a. RESOLUTION 2026-28

A RESOLUTION APPOINTING MEMBERS TO THE CITY OF POWELL TREE BOARD AND SPECIFYING THE TERMS OF APPOINTMENT.

[1. Memo Res 2026-28, tree board appointments.pdf](#)

[2. Res 2026-28, tree board appointments.pdf](#)

- b. RESOLUTION 2026-29

A RESOLUTION AUTHORIZING THE CITY MANAGER TO PURCHASE A SERVICE KUBOTA TRACK SKID STEER FROM CEC TURF & TRACTOR FOR THE REPLACEMENT OF A 2008 BOBCAT SKID STEER USED BY THE DEPARTMENT OF PUBLIC SERVICE.

[1. Memo Res 2026-29 Kubota Skid Steer Purchase.pdf](#)

[2. Res 2026-29, Kubota Purchase .pdf](#)

c. RESOLUTION 2026-30

A RESOLUTION AUTHORIZING THE CITY MANAGER TO PURCHASE A KUBOTA RTVX2C-PKLH-1 AND RELATED EQUIPMENT FROM CEC TURF & TRACTOR FOR USE BY THE DEPARTMENT OF PUBLIC SERVICE.

- 1. [Memo Res 2026-30, Kubota RTVX2C Purchase.pdf](#)
- 2. [Res 2026-30, Kubota RTVX2C Purchase \(004\).pdf](#)

d. RESOLUTION 2026-31

A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH THE NORTHEAST OHIO PUBLIC ENERGY COUNCIL (NOPEC) FOR ELECTRIC AGGREGATION SUPPLY AND PROGRAM ADMINISTRATION SERVICES FOR THE CITY OF POWELL'S GOVERNMENTAL ELECTRIC AGGREGATION PROGRAM.

- 1. [Memo Res 26-31, Electric Aggregation NOPEC Award.pdf](#)
- 2. [Res 26-31 - Electric Aggregation NOPEC Award.pdf](#)
- 3. [Powell x NOPEC Electric_Interview Panel FINAL 21MAY2026.pdf](#)
- 4. [NOPEC Proposal for Electric Aggregation - City of Powell 29APR2026.pdf](#)
- 5. [Non-Collusion Affidavit - NOPEC Proposal - Powell Electric Aggregation 29Apr2026.pdf](#)
- 6. [Appendix A - Most Current Audited Financial Statements.pdf](#)
- 7. [Appendix B - Current NOPEC Members.pdf](#)
- 8. [Appendix C - NOPEC and NESO CRES Provider Certificates.pdf](#)
- 9. [Appendix D - NOPEC Power Supply Agreement.pdf](#)

VII. COMMITTEE REPORTS

Development Committee: Next Meeting: August 4, 2026 @ 6:30 p.m. (Note: the July 7, 2026 Development Committee meeting has been cancelled)

Finance Committee: Next Meeting: June 9, 2026 @ 7:00 p.m.

Operations Committee: Next Meeting: June 16, 2026 @ 6:30 p.m.

Planning & Zoning Commission: Next Meeting: June 10, 2026 @ 6:30 p.m.

Powell Development Corporation: Next Meeting: June 23, 2026 @ 12:00 p.m.

**Note: The July 7, 2026 City Council meeting has been cancelled.*

VIII. CITY MANAGER'S REPORT/CITY CALENDAR

[June - July 2026.pdf](#)

IX. OTHER COUNCIL MATTERS

X. EXECUTIVE SESSION

- * Ohio Revised Code Section 121.22 (G)(2) To consider the purchase of property for public purposes.

- * Ohio Revised Code Section 121.22 (G)(3) conference with an attorney concerning disputes involving the public body that are the subject of imminent court action.
- * Ohio Revised Code Section 121.22 (G) (8) To consider confidential information related to the marketing plans, specific business strategy, production techniques of an applicant for economic development assistance, and to discuss negotiations with other political subdivisions respecting requests for economic development assistance, such that executive session is necessary to protect the interests of the applicant or the possible investment or expenditure of public funds to be made in connection with the economic development project, and the information is directly related to a request for economic development assistance.

XI. ADJOURNMENT



**CITY COUNCIL
MEETING MINUTES
MAY 19, 2026**

I. CALL TO ORDER/ROLL CALL

Mayor Heather Karr called the May 19, 2026, City Council meeting to order at 7:30 p.m. Councilmembers present included Carlos Crawford, Kurt Ramsey, Leif Carlson, Tyler Herrmann, David Lester, Vice-Mayor Tom Counts, and Mayor Heather Karr. Staff present included Elaine McCloskey, City Clerk, Sean Hughes, Economic Development Administrator; Aaron Stanford, City Engineer; Charles Dukes, Director of Public Services; Ron Sallows, Chief of Police; Jason Nahvi, Human Resources Director; Samantha Borchers, Finance Director; Yazan Ashrawi, Law Director; Jeffrey Tyler, Assistant Finance Director; and Andrew D. White, City Manager.

II. PLEDGE OF ALLEGIANCE

III. CITIZEN PARTICIPATION

Mayor Heather Karr opened citizen participation for public comments. The following individual provided comment:

Martin Pickens
160 Glen Abbey Court
Powell, Ohio 43065

Martin Pickens discussed that he has had an issue for several years in which traffic off of SR 750 blocking the entrance of his neighborhood at Bartholomew Run. He said that he requested signage to not block the intersection on the north side of the street, so that westbound traffic will have view of it. He said he was impressed with the quick response from staff and Public Service Director Charles Dukes on a plan.

Charles Dukes provided an update on the request which he received on Monday, March 18. They have a sign in stock, and the next step is to order an OUPS, which usually takes 48 hours before they can install the sign. He noted that with the fiber installation throughout the City, there is an OUPS backlog and the time for approval may take longer.

Hearing no further comments, Mayor Heather Karr closed citizen participation.

IV. APPROVAL OF MINUTES

- a. Approval of the minutes from the City Council meeting held on May 6, 2026.

MOTION: Councilmember David Lester moved to approve the minutes from the City Council meeting held on May 6, 2026. Vice-Mayor Tom Counts seconded. Motion passed.

VOTE: Y-7 N-0 AB-0

V. CONSENT AGENDA

a. Monthly Reports

MOTION: Vice-Mayor Tom Counts moved to approve the Consent Agenda as presented. Councilmember Leif Carlson seconded. Motion passed.

VOTE: Y-0 N-0 AB-0

VI. RESOLUTIONS

a. RESOLUTION 2026-26

A RESOLUTION TO CONTINUE THE DESIGNATED OUTDOOR REFRESHMENT AREA.

Mayor Heather Karr read Resolution 2026-26 into the record for the first time. City Manager Andrew White discussed the previous presentation at the Operations Committee meeting with Economic Development Administrator Sean Hughes which is required for the five-year program review. He noted there were a couple of modifications to the operations of the DORA with an expansion of days and hours. He discussed that initially the DORA was special event related and during COVID it was expanded to Friday through Sunday. The request is to expand the hours and days available and continue with the DORA. He also noted that they did not receive any general inquisition from the public. Economic Development Administrator Sean Hughes reported that the DORA is working as it should and they are recommending the days be expanded Monday through Sunday, from 11 am to midnight. This is consistent hours and days for other communities.

Vice-Mayor Tom Counts questioned if there were any businesses open downtown at midnight. Economic Development Administrator Sean Hughes replied that this would be an anticipation of a changing market.

Mayor Heather Karr questioned if adopted, when this would go in effect. Law Director Yazan Ashrawi said that it would be immediately in effect.

Mayor Heather Karr opened Resolution 2026-26 for public comment. Hearing none, she closed public participation for Resolution 2026-26.

MOTION: Councilmember David Lester moved to approve Resolution 2026-26. Councilmember Kurt Ramsey seconded. Motion passed.

VOTE: Y-7 N-0 AB-0

b. RESOLUTION 2026-27

A RESOLUTION APPOINTING MEMBERS TO THE CITY OF POWELL TREE BOARD AND SPECIFYING THE TERMS OF APPOINTMENT.

Mayor Heather Karr read Resolution 2026-27 into the record for the first time. City Manager Andrew White discussed this resolution follows notice that the City received from Tree City USA, which is the sanctioning authority governing whether or not communities participate in the Tree City program. The City has been a long-standing member of Tree City USA and pushing towards 30 years. There

was a notice to modernize the ordinances which the City has done and the result of that is to replace the prior Parks and Recreation Board with a specific Tree Board. This resolution would establish City positions on the board which would include Parks Manager Melissa Hindman, Public Service Workers John Davis and Lance Austin, and Councilmember Leif Carlson. This resolution also sets up the staggered membership. There will also be forthcoming appointments of two citizen members that would have satisfactory experience to be able to help guide conversations as it relates to the tree policy within the City. He noted that this was also talked about briefly at Operations Committee and said that two of the staff personnel are going through a certification process right now and are expected to have additional experience to help that conversation on a staff level.

Councilmember Leif Carlson noted that they are still taking applications for any citizens that want to apply to that committee.

Mayor Heather Karr opened Resolution 2026-27 for public comment. Hearing none, she closed public participation for Resolution 2026-27.

MOTION: Vice-Mayor Tom Counts moved to approve Resolution 2026-27. Councilmember David Lester seconded. Motion passed.

VOTE: Y-7 N-0 AB-0

VII. ORDINANCES: FIRST READING(S)

a. ORDINANCE 2026-10

AN ORDINANCE MODIFYING APPROPRIATIONS FOR THE CALENDAR YEAR 2026 AND DECLARING AN EMERGENCY.

Mayor Heather Karr read Ordinance 2026-10 into the record for the first time. City Manager Andrew White noted that this supplemental was presented to the Finance Committee and recommended for approval by them to City Council. The supplemental appropriation is a refinement of the Capital Improvement Program, and he noted several reductions as they refined that plan moving forward that will free up some of the cash resources for other options.

Finance Director Samantha Borchers referenced Exhibit A and discussed the second page is a new document that they are providing with supplemental requests. This is related to comments previously received from City Council while reviewing budget requests and questions on how it will affect funding and what the balances look like. The spreadsheet included in Exhibit A is a document that the Finance Department uses regularly and they use it to reconcile the City funds with the County. It walks through all funds, beginning of the year balances and it adds revenue and subtracts what were budgeted expenses. She explained that anytime they do a supplemental adjustment, those are going to be highlighted in the columns in yellow and the column to the furthest right will show what is anticipated at the end of the year in each of the funds. This will show how an expense increases and decreases will affect the funds at the end of the year.

Vice-Mayor Tom Counts notes that the new spreadsheet is also cumulative and now they will see the cumulative impact of the supplemental requests. He said this spreadsheet will be helpful.

Mayor Heather Karr also said that she liked the second page and that it is helpful.

Mayor Heather Karr opened Ordinance 2026-10 for public comment. Hearing none, she closed public participation for Ordinance 2026-10.

MOTION: Vice-Mayor Tom Counts moved to suspend the rules for Ordinance 2026-10. Councilmember David Lester seconded. Motion passed.

VOTE: Y-7 N-0 AB-0

MOTION: Vice-Mayor Tom Counts moved to approve Ordinance 2026-10. Councilmember David Lester seconded. Motion passed.

VOTE: Y-7 N-0 AB-0

VIII. COMMITTEE REPORTS

Development Committee: Next Meeting: June 2, 2026 @ 6:30 p.m.

Finance Committee: Next Meeting: June 9, 2026 @ 7:00 p.m.

Vice-Mayor Tom Counts reported on the Finance Committee meeting on May 12 and that there was a presentation from three+one discussing their cashVest software. He said it is basically taking the City cash that is not invested for a year or more and trying to squeeze as much out of that in terms of incomes as they possibly can. They also did a ranking health status of the City and the City performed admirably in that respect.

Operations Committee: Next Meeting: June 16, 2026 @ 6:30 p.m.

Councilmember Leif Carson discussed the Operations Committee meeting that was held prior to the meeting. He noted the presentation attached to the agenda relating to deer management for the City of Worthington and their three-year plan to possibly serve as a guide for the City. He noted that this maybe something to add to the 2027 budget.

Planning & Zoning Commission: Next Meeting: June 10, 2026 @ 6:30 p.m.

Councilmember David Lester discussed that they had recently met with Equity on their preliminary and final development plan and that the Commission felt that the proposal did not represent what Powell needs and basically, they will be starting over.

Powell Development Corporation: Next Meeting: May 26, 2026 @ 12:00 p.m.

IX. CITY MANAGER'S REPORT/CITY CALENDAR

- a. Village Green Master Plan Open House - May 27, 2026 from 5:30 p.m.-7:30 p.m. at Powell City Hall

City Manager Andrew White noted that there will be a fourth open house for the Village Green Master Plan for the public to provide additional feedback. This is scheduled to take place in Council Chambers on May 27 from 5:30 p.m. to 7:30 p.m. He said there is still some confusion out there with the public and it is important time to reinforce what the City is actually involved in right now is a plan. He noted that the plan was endorsed by a committee that was formed a

couple years ago that included citizens and they do not have a specific charge to come up with a specific development footprint. He said that this area may remain a green space, but if there were improvements the discussion is what improvement could be done. He noted for point of reference that they are working on some exciting infrastructure projects, in particular the Scioto Street extension in the northeast quadrant, which shows up in a plan that was adopted by City Council in 2016. He explained that is essentially what this Council is set to do going forward with Village Green and they are not necessarily selecting a specific development, but to engage with the community, select options and create a plan. He said that they also need to look at what would happen if the area was to be developed and where would the police and City Hall go. He said part of that is being analyzed as part of the Facilities Master Plan. He reiterated that a plan is a plan, and it's the plan until it's changed.

b. Other Updates

City Manager Andrew White discussed that staff and consultants met with engineers today talking about the Bennett Farm path. He noted that staff have sought grant funding for a portion of that project but will not know the results of that award until June. There is some available budget for some remedial actions that they can do right now, like the removal of shrubs along the roadway. He said that this is going to be necessary regardless but that it will be impactful to the community to begin to appreciate the view.

City Manager Andrew White also discussed concerns received about the infrastructure damage at the Seldom Seen CSX crossing. There is a large pothole for traffic headed on the westbound lane. It is important to note that it is entirely within the right of way of CSX. That project has been endorsed by the City to replace the at grade crossing and will be moving forward. The materials are in place there and he was able to discuss the project with a CSX official about a temporary crew coming in to patch that area until the work is finished. He also reported that they discussed the timing of the Jewett crossing which is up for maintenance this summer as well and that CSX is trying to put those together to coincide. In addition, they discussed the crossing of Rutherford, which is outside the City. He suggested this may be something they discuss and take a look at as an annexation opportunity to help address that crossing. There is also some pathway that has come up short of that area where there are some parcels that have annexed into the City that are residential and a couple that are not. This would be an opportunity for the City to bring that all in and he reiterated that this is a preliminary discussion.

City Manager Andrew White also recognized the recent efforts of the Police Department to remove some exploitation going on within the community at K Spa. As a result of this activity, Chief is working on a quarterly report on activities of somewhat in nature throughout the community and putting the outside community on notice that this is not going to be tolerated. Police Chief Ron Sallows responded that the case is ongoing, and they are following up on leads.

City Manager Andrew White provided an update on the Lechler Building Project and that the Assistant City Manager oversaw a pre-construction meeting. This work is projected to begin on May 27th and he stated that he is excited to have that gateway addressed here this summer. He said the project is expected to be done within six months. Staff discussed building their efforts on public outreach for properties that are nearby and may be affected by the work.

City Manager Andrew White notified City Council that Project Engineer Jamie Fink will be leaving the City to take on the responsibilities of City Engineer for the City of Marysville. He said that she has been a great addition to the team and they appreciate her work.

City Manager Andrew White received concerns about the timing of the traffic light located at Village Club Drive and that staff are investigating whether or not this is an issue within the timing of the signal system or loop detector. He said this may have longer term coordinated efforts with Delaware County Engineers office in terms of signalization and looking at a left turn arrow.

City Manager Andrew White provided information on the upcoming Memorial Day parade and ceremony.

Councilmember David Lester questioned the timeline for the Facilities program. Assistant City Manager Jeffrey Tyler responded that they have the master plan approved and at this point the City has finished all the documentation and they are just looking for opportunities to implement in the future.

Councilmember Leif Carlson asked if the signal control software is fully under house control for the County. Police Chief Ron Sallows responded that they went live with preemption in the police cruisers a week ago on Monday. They have worked with Path Master and have already done all of the Powell intersections and the Delaware County intersections that are immediately adjacent to the City. There are three ODOT intersections, SR 315 and SR 750, Powell Road and Sawmill Parkway, and the access drive just west of the intersection between Wendy's, Giant Eagle and Kroger they are still working on.

X. OTHER COUNCIL MATTERS

a. City Council Meeting - July 7, 2026 Cancellation

City Council agreed to cancel the July 7 Development Committee meeting and City Council meeting as a summer break.

Mayor Heather Karr reminded Council about the Memorial Day activities and where to be lined up for the parade.

XI. EXECUTIVE SESSION

- * Ohio Revised Code Section 121.22 (G)(1) Personnel - to consider the appointment for boards and commissions.
- * Ohio Revised Code Section 121.22 (G)(2) To consider the purchase of property for public purposes.
- * Ohio Revised Code Section 121.22 (G)(3) conference with an attorney concerning disputes involving the public body that are the subject of imminent court action.
- * Ohio Revised Code Section 121.22 (G) (8) To consider confidential information related to the marketing plans, specific business strategy, production techniques of an applicant for economic development assistance, and to discuss negotiations with other political subdivisions respecting requests for economic development assistance, such that executive session is necessary to protect the interests of the applicant or the possible investment or expenditure of public funds to be made in connection with the economic development project, and the information is directly related to a request for economic development assistance.

VOTE: Y-7 N-0 AB-0

Council had no further business to discuss following executive session.

MOTION: Councilmember Leif Carlson moved to adjourn the meeting. Vice-Mayor Tom Counts seconded. Motion passed. The meeting adjourned at 8:52 p.m.

VOTE: Y - 7 N - 0 AB-0

Elaine McCloskey, Clerk	Date
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OFFICE OF THE CITY MANAGER

47 Hall Street | Powell, OH 43065 | 614.885.5380 | cityofpowell.us

MEMO

From: Andrew D. White, City Manager

To: City Council

Re: Notice to Legislative Authority of a Transfer of Ownership Request to La Sosa, LLC, DBA Chapala, 240 North Liberty Street, Powell, Ohio 43065.

Date: June 2, 2026

Summary:

The City of Powell received a Notice to Legislative Authority ("Notice") from the Ohio Division of Liquor Control for a Transfers of Ownership at same location to La Sosa, LLC, DBA, Chapala, a business located at 240 North Liberty Street, Powell Ohio from Gallops Powell LLC, pursuant to Ohio Revised Code ("ORC") 4303.26. As the location of the business is located within the corporate limits of the City of Powell and their request for D1, D2, and D3 permits are required.

The Ohio Division of Liquor Control, and not the City, holds the authority to determine if the business is the type of business eligible to receive a liquor permit. Powell may request a hearing regarding the advisability of the issuance, transfer of ownership, or transfer of location of the permit. Staff do not recommend a hearing.

Legal Review:

The Law Director has reviewed this item and does not recommend Council take any formal action.

Financial Review:

None required.

Recommendation:

Based on the review by the Law Director, Staff does not recommend requesting a hearing in this matter. Regardless of whether Council desires to request a hearing, the Notice must be signed and returned to the Ohio Division of Liquor Control no later than June 26, 2026.



POWELL CITY COUNCIL
ATTN CLERK
47 HALL ST
POWELL OH 43065

NOTICE TO LEGISLATIVE AUTHORITY

TO

10015924-1 PERMIT NUMBER	TRFO TYPE	La Sosa, LLC CHAPALA 240 North Liberty Street Powell OH 43065 Muni/Village/Twp: Powell
ISSUE DATE:		
FILING DATE: 5/21/2026		
PERMIT CLASSES: D-2 D-1 D-3		
21055 TAX DISTRICT	FEB	RECEIPT NO

FROM 5/22/2026

03018814-1 PERMIT NUMBER	TYPE	GALLOPS POWELL LLC GALLOPS POWELL LLC 240 N LIBERTY ST POWELL OH 43065 Muni/Village/Twp: Powell
ISSUE DATE:		
FILING DATE:		
PERMIT CLASSES:		
21055 TAX DISTRICT	FEB	RECEIPT NO

MAILED 5/26/2026

RESPONSES MUST BE POSTMARKED NO LATER THAN 06/26/2026

IMPORTANT NOTICE

PLEASE COMPLETE AND RETURN THIS FORM TO THE DIVISION OF LIQUOR CONTROL WHETHER OR NOT
THERE IS A REQUEST FOR A HEARING.

REFER TO THIS NUMBER IN ALL INQUIRIES: FEB TRFO 10015924-1
(TRANSACTION & NUMBER)

(MUST MARK ONE OF THE FOLLOWING)

WE REQUEST A HEARING ON THE ADVISABILITY OF ISSUING THE PERMIT AND REQUEST THAT THE HEARING
BE HELD ☐ IN OUR COUNTY SEAT ☐ IN COLUMBUS

WE DO NOT REQUEST A HEARING ☐

DID YOU MARK A BOX? IF NOT, THIS WILL BE CONSIDERED A LATE RESPONSE.

PLEASE SIGN BELOW AND MARK THE APPROPRIATE BOX INDICATING YOUR TITLE:

(Signature)

(Title) - ☐ Clerk of City Council
☐ Township Fiscal Officer

(Date)

(Printed Name)

(Email Address)

(Telephone No.)



Department of Commerce

Division of Liquor Control

com.ohio.gov

Mike DeWine, Governor Jim Tressel, Lt. Governor Sherry Maxfield, Director

Dear Local Legislative Authority Official:

Please find enclosed the legislative notice that is being sent to you regarding the applied for liquor permit as captioned on the notice. You **must**, within 30 days from the "mailed" date listed on the notice under the bar code:

- Notify the Division whether you object and want a hearing; or
- Ask for your one-time only, 30-day extension. o Any requests for a one-time, 30-day extension will be reviewed by the Division upon timely receipt. If granted, your additional 30-days runs from the expiration of the original 30-day period.

To be considered **timely**, your above response **MUST** be faxed, emailed, or mailed to the Division no later than the postmark deadline date stated on the form. To speed up processing times and reduce paper, the Division respectfully asks that you either fax or email your response. Please send your response to:

FAX: (614) 644 – 3166
EMAIL: Liquordocs@com.ohio.gov
MAIL: Ohio Division of Liquor Control
 Attn: Licensing Unit
 6606 Tussing Road
 PO Box 4005
 Reynoldsburg, Ohio 43068-9005

To find out who has disclosed an ownership interest in the permit application to us you can:

- Visit com.ohio.gov/liquorinfo. Select the "Search who has disclosed an ownership interest" tab. Where asked, enter the permit number listed on the legislative notice; or
- Contact your police department or county sheriff (if you are a township fiscal officer or county clerk). We also sent them detailed ownership information to review for any criminal background issues involving the disclosed persons.

We have resources for you at com.ohio.gov/govhelp. Never miss out on when renewal objections are due! Sign-up for our emails at com.ohio.gov/stayinformed.

Thank you in advance for your cooperation,

Division Licensing Section

(rev. 2.12.25)

From: Andrew D. White, City Manager

To: Members of City Council

Re: Resolution No. 2026-28 – appointing members to the Tree Board and specifying the terms of appointment

Date: June 2, 2026

Summary:

The attached resolution appoints additional members to the City of Powell Tree Board in accordance with Chapter 153 of the Codified Ordinances. The Tree Board serves as the advisory body responsible for matters relating to the care, preservation, planting, removal, and maintenance of public trees within the City.

The resolution appoints Elliott Schaffer and Keith Gooch to the Tree Board and establishes staggered terms consistent with the Board's ongoing three-year term structure required under the ordinance.

With these appointments, the City will complete the current membership structure of the Tree Board established under Chapter 153 of the Codified Ordinances.

Legal Review:

The Law Director's office reviewed and approved the resolution.

Financial Review:

There is no financial impact with the legislation, but the Finance Director has reviewed and supports the Resolution.

Recommendation:

Staff recommend the approval of Resolution 2026-28.



RESOLUTION 2026-28

A RESOLUTION APPOINTING MEMBERS TO THE CITY OF POWELL TREE BOARD AND SPECIFYING THE TERMS OF APPOINTMENT.

WHEREAS, the City of Powell adopted Chapter 153 of the Codified Ordinances establishing the Tree Board to serve as the advisory body responsible for matters relating to the care, preservation, planting, removal, and maintenance of public trees within the City; and

WHEREAS, Section 153.01 of the Codified Ordinances provides that members of the Tree Board shall be appointed by a majority vote of City Council and shall serve staggered three-year terms or until resignation or removal; and

WHEREAS, Council desires to appoint members to the Tree Board and establish the terms of such appointments.

NOW THEREFORE BE IT RESOLVED BY THE CITY OF POWELL, COUNTY OF DELAWARE, STATE OF OHIO, AS FOLLOWS:

Section 1: That the following individuals are hereby appointed to the City of Powell Tree Board and shall serve the following terms effective immediately upon adoption of this Resolution or until resignation, removal, or until a successor is appointed:

- Keith Gooch – Appointment (term expiring December 31, 2027)
- Elliott Schaffer – Appointment (term expiring December 31, 2028)

Section 2: The initial appointments established herein are for staggered terms for the purpose of implementing the term requirements established under Chapter 153 of the Codified Ordinances.

Section 3: It is hereby found and determined that all formal actions of this Council concerning and relating to the passage of this Resolution were adopted in an open meeting of Council and that all deliberations of Council and any of the decision-making bodies of the City of Powell, which resulted in such formal actions, were in meetings open to the public in compliance with all legal requirements of the City of Powell, Delaware County, Ohio.

Section 4: This Resolution shall be in full force and effect immediately upon adoption.

Heather Karr
Mayor

Date

Elaine McCloskey
City Clerk

Date

EFFECTIVE DATE: June 2, 2026

This legislation has been posted in accordance with
the City Charter on this date _____.

City Clerk

City Council
Heather Karr, Mayor
Kurt Ramsey Leif Carlson David Lester Tom Counts Tyler Herrmann Carlos Crawford



OFFICE OF THE CITY MANAGER

47 Hall Street | Powell, OH 43065 | 614.885.5380 | cityofpowell.us

MEMO

From: Andy White, City Manager

To: Members of City Council

Initiated By: Charles E. Dukes, Director of Public Service

Re: Resolution 2026-29 - Authorizing the City Manager to purchase a Kubota skid steer

Date: June 2, 2026

Summary:

The City budgeted for and planned the replacement of a 2008 S160 Bobcat skid steer as part of the 2026 Capital Improvement Plan. This equipment is primarily used for material removal and placement, unloading pallets from delivery trucks, and occasional snow removal in City parking lots. In accordance with the City's fleet and equipment replacement policy, the unit's projected retirement year was 2020. The equipment is currently 18 years old, while the expected service life for this type of equipment under normal operating conditions is approximately 12 years.

Public Service staff evaluated the operational needs for a replacement skid steer and identified several additional uses for the new unit beyond current operations. The proposed Kubota skid steer will assist with maintenance activities at the Bennett Farm property and Redwood site, provide backup support for snow and ice removal operations in City-owned parking lots, and support ongoing infrastructure maintenance activities.

As the number of aging catch basins requiring rehabilitation continues to increase throughout the City, the new unit's hydraulic hammer attachment will significantly improve operational efficiency by allowing staff to remove curb and gutter sections more effectively during repairs. Currently, staff utilizes an electric hammer, which is considerably less efficient and more time-consuming. The included stump grinder attachment will also support the City's tree maintenance operations.

Public Service staff reviewed available replacement options and worked with Compass Direct, which assists the City with its Fleetio fleet management software, to identify the most appropriate equipment configuration for the City's operational needs. The proposed replacement unit is a 2026 Kubota SVL75-3HFWVRCC S Series tracked skid steer equipped with a diesel 4-cylinder, 4-cycle turbocharged engine producing 74.3 gross horsepower at 2,400 RPM. Additional features include a horn and backup alarm with warning lights, keyless start, integrated rear camera, hand and foot throttle controls, strobe light, LED Class 2 lighting, ride control kit, and light guard kit.

Selected Land Pride Attachments Include:

- 56 Series Pallet Fork, 60-inch width, 5,500 lb. capacity
- 25 Series Stump Grinder
- BR560 Series Breaker, 3.15-inch tool diameter

- 60 Series Brush Cutter
- 74-inch Heavy-Duty Low-Profile Tooth Bucket

The total cost of the Kubota skid steer and attachments is \$123,822.71 after applying government pricing and cooperative purchasing through Sourcewell Contract #110421-TER. The approved 2026 CIP budget allocation for this purchase was \$140,000.

The unit is currently available for purchase pending Council approval.

Legal Review:

The Law Director's office has reviewed and approved the legislation as to form.

Finance Review:

The Finance Director has reviewed the Resolution and supports the recommendation. The proposed purchase remains within the amount approved of in the 2026 Capital Improvement Plan budget.

Recommendation:

Staff recommends approval of Resolution 2026-29, authorizing the City Manager to purchase the Kubota skid steer and associated attachments.



RESOLUTION 2026-29

A RESOLUTION AUTHORIZING THE CITY MANAGER TO PURCHASE A SERVICE KUBOTA TRACK SKID STEER FROM CEC TURF & TRACTOR FOR THE REPLACEMENT OF A 2008 BOBCAT SKID STEER USED BY THE DEPARTMENT OF PUBLIC SERVICE.

WHEREAS, The City of Powell budgeted and planned for the replacement of a 2008 Bobcat skid steer in the 2026 Capital Improvement Plan; and

WHEREAS, the existing skid steer is primarily utilized by the Department of Public Service for material removal, unloading pallets from delivery trucks, and snow and ice removal operations, and has exceeded its useful service life; and

WHEREAS, Public Service staff evaluated replacement options and identified a replacement skid steer and related attachments that best meet the operational needs of the City; and

WHEREAS, the City intends to utilize cooperative purchasing through the Sourcewell cooperative purchasing program to obtain government pricing; and

WHEREAS, the proposed skid steer and related attachments will improve operational efficiency, expand the capabilities of Public Service crews, and support the safe and effective maintenance of City infrastructure and properties.

NOW THEREFORE BE IT RESOLVED BY THE CITY OF POWELL, COUNTY OF DELAWARE, STATE OF OHIO, AS FOLLOWS:

Section 1: The City Manager is hereby authorized and directed to purchase a replacement Kubota track skid steer and related attachments from CEC Turf & Tractor in an amount not to exceed \$123,822.71, with the authority to allocate the remaining budgeted funds, up to \$16,177.29, toward additional equipment, attachments, or modifications as deemed necessary.

Section 2: It is hereby found and determined that all formal actions of this Council concerning and relating to the passage of this Resolution were adopted in an open meeting of Council and that all deliberations of Council and any of the decision-making bodies of the City of Powell, which resulted in such formal actions, were in meetings open to the public in compliance with all legal requirements of the City of Powell, Delaware County, Ohio.

Section 3: This Resolution shall be in full force and effect immediately upon adoption.

Heather Karr Mayor	Date
-----------------------	------

Elaine McCloskey
City Clerk

EFFECTIVE DATE: June 2, 2026

This legislation has been posted in accordance with
the City Charter on this date _____.

____ City Clerk

City Council
Heather Karr, Mayor

Kurt Ramsey Leif Carlson David Lester Tom Counts Tyler Herrmann Carlos Crawford



OFFICE OF THE CITY MANAGER

47 Hall Street | Powell, OH 43065 | 614.885.5380 | cityofpowell.us

MEMO

From: Andy White, City Manager

To: Members of City Council

Initiated By: Charles E. Dukes, Director of Public Service

Re: Resolution 2026-30 - Authorizing the City Manager to Purchase a Kubota RTVX2C-PKLH-1 and Related Equipment from ECE Turf & Tractor For Use By the Department of Public Service

Date: June 2, 2026

Summary:

The City budgeted and planned for the replacement of a 2019 Cushman Hauler 4x4 as part of the 2026 Capital Improvement Plan. This vehicle is primarily utilized for park maintenance operations and serves as a fleet vehicle during periods of increased seasonal staffing in the summer months. The unit was previously outfitted with a plow system intended for bike path maintenance; however, the plow blade configuration was not well-suited for intended operational use.

Public Service staff reviewed available replacement options and concurred with the configuration presented by CEC Turf & Tractor. The proposed replacement is a 2026 Kubota RTV equipped with a diesel engine, factory cab with air conditioning, heater and defroster, front and rear independent adjustable suspension, headlights, 2-inch hitch receiver, deluxe split bench seating, under-seat storage compartments, ATV tires and wheels, and a 7.9-gallon fuel tank.

Additional equipment and accessories include LED front work lights, strobe light mount kit, front quick hitch, third-function hydraulic valve upgrade kit, blade markers, 10-cubic-foot bed-mounted salt spreader, 6-foot V-blade plow, and a 60-inch rotary broom.

This upgraded unit will allow Public Service staff to maintain the Bennett Farm bike path during winter operations and evaluate the feasibility of expanding snow and ice removal operations to additional bike paths throughout the City as part of a pilot program. If the pilot program proves successful, staff may consider requesting funding for an additional unit as part of the 2027 Capital Improvement Plan budget.

The total cost of the Kubota RTV and related equipment is \$49,273.81 after applying government pricing and cooperative purchasing discounts through the Sourcewell cooperative purchasing program. The approved budgeted amount for this purchase was \$45,000. The recent skid steer purchase was completed under budget, which will offset the additional \$4,273.81 required for this purchase.

The Administration respectfully requests approval of a resolution authorizing the City Manager to enter into a purchase agreement and execute any necessary contracts for the acquisition of the Kubota RTV.

Legal Review:

The Law Director's office has reviewed and approved the legislation as to form.

Finance Review:

The Finance Director has reviewed the Resolution and supports the recommendation. The proposed purchase remains within the Equipment replacement budget of the 2026 Capital Improvement Plan.

Recommendation:

Staff recommend approval of Resolution 2026-30.



RESOLUTION 2026-30

A RESOLUTION AUTHORIZING THE CITY MANAGER TO PURCHASE A KUBOTA RTVX2C-PKLH-1 AND RELATED EQUIPMENT FROM CEC TURF & TRACTOR FOR USE BY THE DEPARTMENT OF PUBLIC SERVICE.

WHEREAS, The City of Powell budgeted and planned for the replacement of a 2019 Cushman Gator in the 2025 Capital Improvement Plan; and

WHEREAS, the existing vehicle is primarily utilized by the Department of Public Service for park maintenance operations, snow and ice removal activities, and additional fleet usage during periods of increased seasonal staffing; and

WHEREAS, Public Service staff evaluated replacement options and identified the Kubota RTVX2C and related equipment as the best fit for the operational needs of the City; and

WHEREAS, the City intends to utilize cooperative purchasing through the Sourcewell cooperative purchasing program to obtain government pricing; and

WHEREAS, the proposed Kubota RTVX2C includes a 6-foot V-blade plow, 10-cubic-foot bed-mounted salt spreader, 60-inch rotary broom, and related equipment to support winter maintenance operations and bike path maintenance throughout the City; and

WHEREAS, The City wishes to proceed with the purchase of the Kubota RTVX2C and related equipment.

NOW THEREFORE BE IT RESOLVED BY THE CITY OF POWELL, COUNTY OF DELAWARE, STATE OF OHIO, AS FOLLOWS:

Section 1: That the City Manager is hereby authorized and directed to purchase a Kubota RTVX2C and related equipment from CEC Turf & Tractor in an amount not to exceed \$49,273.81.

Section 2: It is hereby found and determined that all formal actions of this Council concerning and relating to the passage of this Resolution were adopted in an open meeting of Council and that all deliberations of Council and any of the decision-making bodies of the City of Powell, which resulted in such formal actions, were in meetings open to the public in compliance with all legal requirements of the City of Powell, Delaware County, Ohio.

Section 3: This Resolution shall be in full force and effect immediately upon adoption.

Heather Karr Mayor	Date
-----------------------	------

Elaine McCloskey
City Clerk

EFFECTIVE DATE: June 2, 2026

This legislation has been posted in accordance with
the City Charter on this date _____ .
_____ City Clerk

City Council
Heather Karr, Mayor

Kurt Ramsey Leif Carlson David Lester Tom Counts Tyler Herrmann Carlos Crawford

From: Andrew D. White, City Manager

To: Members of the City Council

Initiated By: Jeffrey S. Tyler, RA, Assistant City Manager

Re: Resolution 2026-31 – A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH THE NORTHEAST OHIO PUBLIC ENERGY COUNCIL (NOPEC) FOR ELECTRIC AGGREGATION SUPPLY AND PROGRAM ADMINISTRATION SERVICES FOR THE CITY OF POWELL’S GOVERNMENTAL ELECTRIC AGGREGATION PROGRAM.

Date: June 2, 2026

Summary:

The attached Resolution authorizes the City Manager to execute an agreement with the Northeast Ohio Public Energy Council (“NOPEC”) for electric aggregation supply and program administration services associated with the City’s governmental electric aggregation program approved by Powell voters in November 2025.

Background:

On the November 5, 2025, General Election, Powell voters approved the establishment of an opt-out governmental electric aggregation program pursuant to Ohio Revised Code Section 4928.20.

Following voter approval, the City issued a Request for Proposals (“RFP”) seeking qualified firms to provide electric aggregation supply and related implementation and administrative services. Four (4) proposals were received in response to the RFP and all four firms participated in an interview process.

The evaluation process included review of:

- Overall program structure;
- Governmental aggregation experience;
- Customer service and implementation capabilities;
- Reporting and transparency;
- Organizational structure; and
- Overall value to the City and residents.

A five-member staff evaluation team independently reviewed and scored each proposal and interview presentation. The evaluation team included representatives from multiple operational and administrative areas of the City to provide a balanced review of the proposals and implementation approaches.

Based on the combined proposal review, interview process, and overall scoring results, NOPEC received the highest overall average evaluation score among the respondents.

Firm	Average Score
NOPEC	4.24
SOPEC	3.80
Aspen	3.50
Dynegy	3.26

Staff determined that NOPEC provided the strongest overall proposal based upon:

- Reporting and Transparency
- Organizational structure as a Council of Governments; and
- Overall program value and responsiveness to the City's objectives.

The evaluation team also found NOPEC's commitment to providing a comprehensive long-term relationship strategy strengthened their proposal and ultimately their recommendation to City Council.

Proposed Program Structure

The proposed agreement includes:

- A twelve (12) month fixed-term electric supply structure;
- Pricing negotiated through NOPEC's Community Choice program; and
- Program pricing extending through June 2029;

Additional legislative actions associated with the Plan of Operation and Governance and subsequent implementation steps will be brought forward separately at a later date.

Legal Review:

The Law Director has reviewed and approved as to form.

Financial Review:

The proposed agreement does not require a direct financial contribution from the City for program administration services. The Finance Director has reviewed and supports the resolution.

Recommendation:

Staff recommend approval of the attached Resolution 2026-31, authorizing the City Manager to execute an agreement with the Northeast Ohio Public Energy Council (NOPEC) for electric aggregation supply and program administration services.



RESOLUTION 2026-31

A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH THE NORTHEAST OHIO PUBLIC ENERGY COUNCIL (NOPEC) FOR ELECTRIC AGGREGATION SUPPLY AND PROGRAM ADMINISTRATION SERVICES FOR THE CITY OF POWELL'S GOVERNMENTAL ELECTRIC AGGREGATION PROGRAM.

WHEREAS, the electors of the City of Powell approved the establishment of an opt-out governmental electric aggregation program at the November 5, 2025, election pursuant to Ohio Revised Code Section 4928.20; and

WHEREAS, the City subsequently issued a Request for Proposals ("RFP") seeking qualified firms to provide electric aggregation supply and program administration services for the City's governmental electric aggregation program; and

WHEREAS, following evaluation of four (4) proposals and interviews, staff determined that the proposal submitted by the Northeast Ohio Public Energy Council ("NOPEC") provided the best overall value to the City based upon governmental aggregation experience, implementation support, organizational structure, and overall program approach; and

WHEREAS, NOPEC proposed a twelve (12) month fixed-term electric supply program with pricing negotiated through its Community Choice program extending through June 2029; and

WHEREAS, the proposed agreement does not require a direct financial contribution from the City for program administration services; and

WHEREAS, City Council desires to authorize the City Manager to execute the necessary agreement with NOPEC to proceed with implementation of the City's governmental electric aggregation program.

NOW THEREFORE BE IT RESOLVED BY THE CITY OF POWELL, COUNTY OF DELAWARE, STATE OF OHIO AS FOLLOWS:

Section 1: That the City Manager is hereby authorized and directed to execute an agreement with the Northeast Ohio Public Energy Council (NOPEC) for electric aggregation supply and program administration services for the City's governmental electric aggregation program, together with such non-substantive revisions as may be approved by the Law Director.

Section 2: It is hereby found and determined that all formal actions of this Council concerning and relating to the passage of this Resolution were adopted in an open meeting of Council and that all deliberations of Council and any of the decision-making bodies of the City of Powell, which resulted in such formal actions, were in meetings open to the public in compliance with all legal requirements of the City of Powell, Delaware County, Ohio.

Section 3: This Resolution shall be in full force and effect immediately upon adoption.

Heather Karr
Mayor

Date

EFFECTIVE DATE: June 2, 2026

Elaine McCloskey City Clerk	Date
--------------------------------	------

This legislation has been posted in accordance with
the City Charter on this date _____ .
_____ City Clerk

City Council
Heather Karr, Mayor

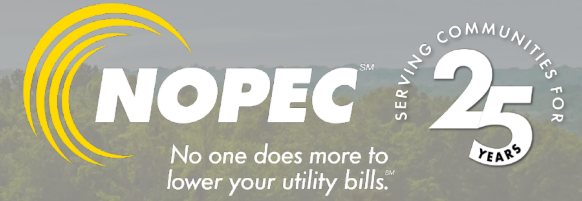
Kurt Ramsey Leif Carlson David Lester Tom Counts Tyler Herrmann Carlos Crawford



City of Powell | NOPEC

Electric Aggregation Interview

May 21, 2026



Cover & Preface

Material statements and responses to the following questions relied upon the contents of NOPEC's proposal for:

RFP Number: 4913-4918-6712.2

Title: Opt-Out Governmental Electric Aggregation Program

This is a joint proposal by:

Supplier Name

NextEra Energy Services Ohio LLC
601 Travis St., Ste. 1400
Houston, TX 77002

Governmental Aggregator Name

Northeast Ohio Public Energy Council (NOPEC)
31360 Solon Rd, Ste. 33
Solon, Ohio 44139

Powell's Objectives Are Clear

Powell is seeking a program that delivers:

- **100% renewable full requirements retail electric generation supply;**
- **Competitive & stable pricing (#1 evaluation criterion);**
- **Quality, reliable service and first-rate customer service;**
- **Transparency and program accountability;**
- **Qualified, financially strong, proven supplier.**

NOPEC's proposal delivers on these objectives and is a partner Powell can trust with its new electric aggregation program.

1. *Walk us through your proposed pricing structure and how it achieves competitiveness and stability.*

Cost Proposal - Product 1

- **Initial term is fixed:** Participants enrolled into 100% Green-e® Certified renewable electric supply **for 12-months at 10.99 cents per kWh**. Provides immediate stability at a competitive rate. Term provides time for residents to become familiar with aggregation, NOPEC's additional power products and overall program flexibility. (*NOPEC Pricing Page for Reference Page 4*)

Fall 2027 ↓

- **Transition to Green Community Choice:** Powell would move to NOPEC's *Green Community Choice* program for remaining NOPEC electric aggregation term ending in June 2029, joining communities like Lakewood and Cleveland Heights.
 - Operates exactly as NOPEC's Standard Program but contains renewable energy adder of +0.35 cents per kWh for the same 100% Green e® Certified default supply. Residents maintain flexibility to choose from NOPEC's additional power products.
- **NOPEC's Standard Program Performance:** 2023-2026 performance chart (*Page 6*).

1. *Walk us through your proposed pricing structure and how it achieves competitiveness and stability. (Continued)*

Pricing Page

www.nopec.org/residents/pricingrates/electric-pricing

STANDARD

RENEWABLE

American Electric Power

STANDARD PROGRAM	MONTHLY VARIABLE RATE	12-MONTH FIXED TERM	24-MONTH FIXED TERM
GO-TO CHOICE Seasonal Rates Based on Current Market Conditions cents per kWh Valid from your June 2026 to September 2026 meter read dates.	MONTHLY FLEXIBILITY Discounted Rate Based on Your Utility's PTC cents per kWh Valid for meter read dates beginning April 2026.	STABLE AND SECURE A Full Year of Predictability cents per kWh Valid as of meter read dates beginning June 2026.	LONGER TERM PEACE OF MIND Lock in Your Rate for Two Years of Stability cents per kWh Valid as of meter read dates beginning June 2026.
- Variable rate that may change monthly based on wholesale prices - All eligible accounts automatically enrolled in this program - No early termination fees - Terms and Conditions	- Always 6% below the utility's Price to Compare (PTC) - Enrollment is limited and subject to availability - No early termination fees - Terms and Conditions	- Price fixed for 12-month term - No early termination fees - Terms and Conditions	- Price fixed for 24-month term - No early termination fees - Terms and Conditions

STANDARD

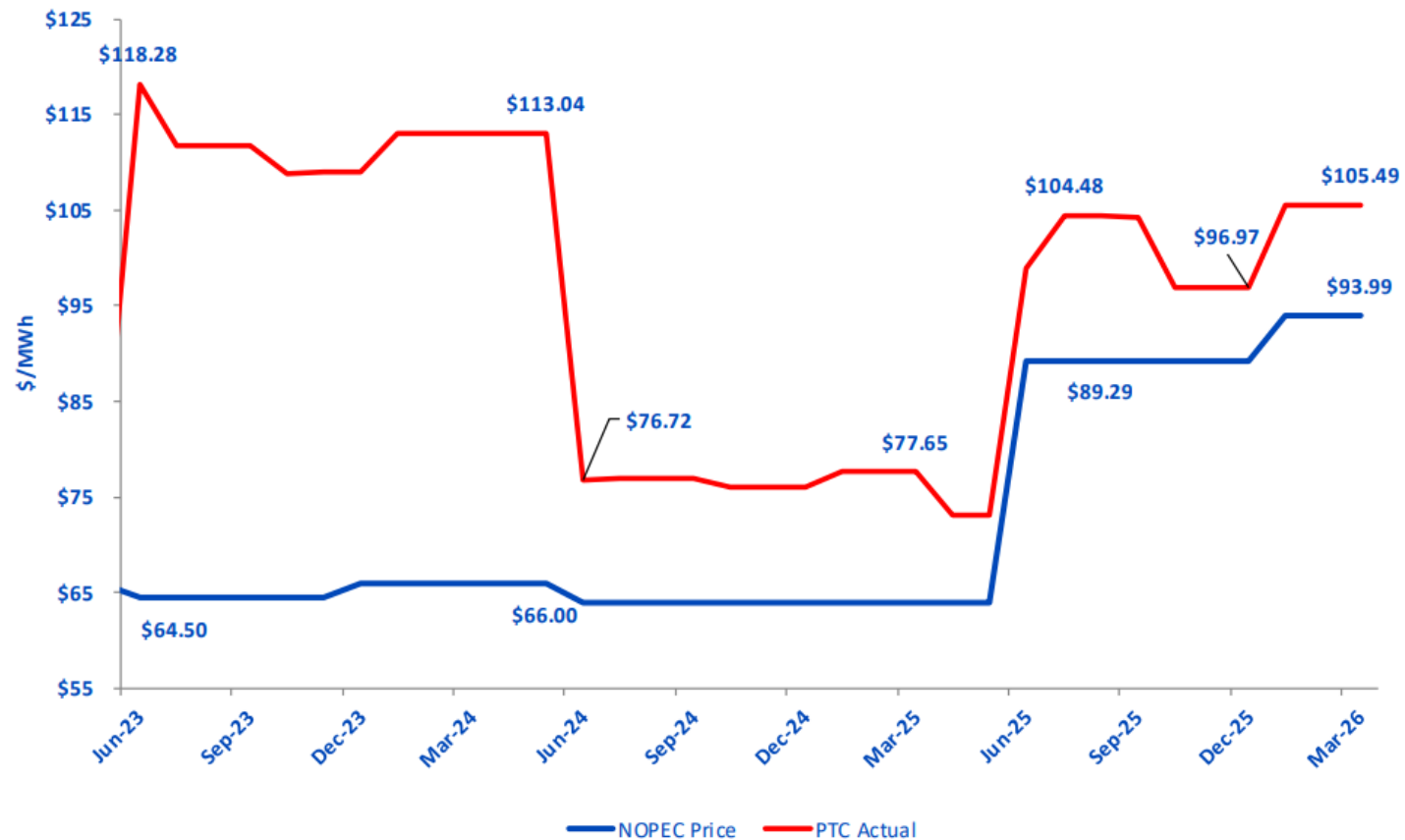
RENEWABLE

American Electric Power

STANDARD PROGRAM +100% RENEWABLE CONTENT	12-MONTH FIXED TERM +100% RENEWABLE CONTENT	24-MONTH FIXED TERM +100% RENEWABLE CONTENT
STEADY & SUSTAINABLE Our Standard Program Backed by Renewable Energy Credits cents per kWh Valid from your June 2026 to September 2026 meter read dates.	STABLE & SUSTAINABLE Supporting Sustainability With a Year-Long Fixed Rate cents per kWh Valid as of meter read dates beginning June 2026.	LONGER TERM SUSTAINABILITY Steady Pricing Backed by 100% Renewable Content cents per kWh Valid as of meter read dates beginning June 2026.
- Includes renewable energy credits for 100% of energy usage - Current Standard Program Price + .35 cents per kWh renewable content adder, which is subject to change - No early termination fees - Terms and Conditions	- Includes renewable energy credits for 100% of energy usage - Price fixed for 12-month term - Current Standard Fixed Term Price + .35 cents per kWh renewable content adder, which is subject to change - No early termination fees - Terms and Conditions	- Includes renewable energy credits for 100% of energy usage - Price fixed for 24-month term - Current Standard Fixed Term Price + .35 cents per kWh renewable content adder, which is subject to change - No early termination fees - Terms and Conditions

1. *Walk us through your proposed pricing structure and how it achieves competitiveness and stability. (Continued)*

NOPEC SPP vs AEP PTC



2. *Based on current market conditions, how would you advise the City on timing the program start?*

- **Preserve Proposed September 2026 Start – Execute Intelligently**

- Plan September 2026 launch and avoid locking date until after legislative action taken.
 - Mitigate against legislative limitations and ORC/utility/PUCO runway constraints.
- Key determinants should be resident opportunity for educational engagement and progress of communication strategy (*NOPEC manages collaboratively with the City*).
- Use October 2026 as internal fallback.
- Message program start to residents once launch timing is confirmed.

- **Execution strategy**

- Set council and public meeting dates for Sept. launch. Stick to agreed upon legislative schedule and NOPEC's deliveries.
- Customizable timelines for launch and agility to meet needs of Powell's legislative schedule.

3. *Provide a high-level timeline from contract award to program launch.*

Phase	Target Window	What Happens	NOPEC Role
Award & Authorization	June 2	City authorizes launch and program structure.	NOPEC begins implementation immediately.
Public Notice	June 3	Hearing notice submitted for required publication.	NOPEC pays for and manages notice placement.
Public Hearings & Council Action	June 16	Two public hearings held; Council approves required legislation.	NOPEC presents, answers questions, and supports Council action.
PUCO Filing	June 19	Powell is added to NOPEC electric aggregation membership.	NOPEC manages regulatory filing.
Utility Coordination	June 19 - June 30	Eligibility file review, AEP coordination, and opt-out notice preparation.	NOPEC coordinates with utility and supplier teams.
City Kickoff & Public Education	July 1 - July 22	Staff kickoff, public communications, and community meeting promotion.	NOPEC provides training, materials, and Customer Care referral process.
Opt-Out Mailing & Support	July 22 - August 12	Letters mailed; residents have 21 days to opt out. Community meeting held.	NOPEC manages resident support and live issue resolution.
Enrollment & Supply Start	August 28 forward	Enrollment finalized and supply begins under the program.	NOPEC monitors launch and keeps Powell informed.

NOPEC Advantage: NOPEC manages the compliance calendar, utility coordination, resident communications, opt-out support, and staff training — relieving City staff of the administrative burden while keeping Powell fully informed throughout launch.

4. *Identify key risks to successful implementation and how your firm mitigates them.*

- **Legislative Delays**

- *NOPEC Advantage:* Pre-built legislative templates, hearing schedule support, and flexible September/October launch planning.

- **Competing Priorities & Projects for City Staff**

- *NOPEC Advantage:* NOPEC manages notice timing, PUCO filing, AEP coordination, opt-out mailing, resident support, and reporting.

- **Resident Confusion/Readiness**

- *NOPEC Advantage:* Staff training, FAQ/social/web content, printed materials, Customer Care routing, and an in-person community meeting.

- **Operational Delays**

- *Fixed implementation calendar, assigned NOPEC lead, utility/supplier coordination, and launch tracking.*

5. *Describe your customer service model.*

Two Important Pillars

- **24/7/365 U.S.-based Customer Care Center**
 - Trained, friendly agents focused on resolving customer needs.
 - Extremely low wait time to agent: 8.3 second average.
 - Translation services for over 100 languages & disability assistive services.
 - NOPEC maintains active oversight and monitoring.
- **Dedicated Relationship Manager**
 - Primary liaison for local leadership.
 - Provides regular reporting at public meetings and for city staff.
 - Serves as escalation pathway for issue resolution.
 - Ongoing support after launch.
 - Pathfinder for maximizing member benefits via NOPEC programming.

6. *How will you support communication with residents during the opt-out period?*

Clear, supportive and accessible.

- **Methods**

- Customized newsletter, web and social media content.
- High quality printed materials at public locations, such as city hall.
- **Community Event** during the opt-out period; Aggregation + NOPEC 101.
- Live implementation reporting to Council at meetings held prior to, during, and after opt-out.

- **Communication Priorities**

- Explain what aggregation is.
- Explain what changes — and what does not, and how to read your energy bills.
- Clarify that participation is optional and that residents may come and go from the program.
- Reinforce no termination or membership fees.
- Explain renewable supply in plain English.
- Community Tool Kit – Readymade materials for local leaders.
- Prepare City staff before resident questions begin – kick off meeting and staff training.

7. *What reporting will the City receive and how frequently?*

- Powell would receive reporting during launch and throughout the life of the program.
- During launch, we would recommend more frequent updates, including opt-out progress, report on the community meeting, and final enrollment figures. After launch, reporting would shift to a regular cadence as directed by the city.
- **Reports may include:** Enrollment counts, participation levels, opt-out activity, resident inquiry trends, pricing and market updates, renewable energy / REC reporting, grant-related information, and issue tracking and resolution. We can customize reporting to the interests of Powell.
- **Cadence:** Monthly or more frequently during launch. As preferred by City after full implementation. Updates will remain ongoing throughout NOPEC membership.

8. *Are there any material deviations from expected contract terms?*

There are no deviations from expected contract terms or from Product 1 contained in our proposal.

Important clarifications

- Proposal assumes:
- 1.) Powell joins the NOPEC Electric Aggregation. Terms are detailed in the NOPEC Bylaws, Agreement, and Plan of Operations and Governance provided with the proposal. **(Appendix D – NOPEC Power Supply Agreement)**
- 2.) Powell transitions to NOPEC's Green Community Choice Program after initial 12-month fixed term.

9. *How do you ensure performance accountability?*

Accountability Model

- NOPEC's structure provides Powell with accountability beyond a typical broker-managed model. **NOPEC is a Council of Governments, governed by public officials, and contracts with a sole supplier selected through a public procurement process.** That supplier is accountable to NOPEC's program requirements, service expectations, reporting obligations, and resident support standards.
- Membership to NOPEC General Assembly as voting member. This gives Powell the opportunity to participate in the planning of NOPEC's future.
- Powell benefits from:
 - Public-sector governance and accountability to Ohio Revised Code.
 - Publicly Audited Financial Statements and Auditor of State Awards.
 - NOPEC professional staff and Board of Directors contract oversight.
 - NextEra Energy brings one of the strongest credit profiles among U.S. electric utility holding companies.
 - Resident complaint tracking via top performing Customer Care center.
 - Reporting that is in-person and customizable to the needs of Powell's leadership.
 - Transparent program administration and ease of access to NOPEC information.
 - Ability to escalate issues through NOPEC rather than leaving the City to manage issues alone with supplier.

10. *Describe your approach to meeting renewable energy objectives.*

NOPEC has long worked at the intersection of aggregation and sustainability.

- Since 2017, **more than 12.2 million Renewable Energy Credits have been retired through NOPEC aggregation programs, and NOPEC has committed to supporting 50% renewable baseload in the Standard Program by 2030.**
- NOPEC can immediately support Powell's desire to provide 100% renewable energy supply for electric aggregation participants through a Green-e® Certified REC-backed product while also helping the City think beyond just procurement.

NOPEC's new contract with NextEra Energy is especially valuable in meeting our member communities' renewable energy objectives. **Members now have access to Ohio-based solar developers from NextEra who can provide early-stage support like solar blueprinting, preliminary engineering, feasibility review, and project guidance at no cost to NOPEC member communities.**

Powell can meet its immediate renewable supply goal while also building a practical roadmap for real local clean-energy progress. **NOPEC would support that work through the broader sustainability platform**, including SolSmart solar readiness, municipal decarbonization and solar assessments, S.T.A.R. carbon accounting, energy efficiency strategies, clean transportation knowledge sharing, and supplier-backed renewable investments like the EarthEra® Trust.

11. What differentiates your firm and why are you best suited for Powell?

Differentiator	What It Means for Powell
Council of Governments Member Directed, Board Led	NOPEC operates under a public governance model, unlike for profit private brokerages. Our finances are publicly audited and reviewed by the Auditor of State. It means trust and transparency .
Unrivaled Membership Benefits	Members enjoy an array of benefits, including: annual NOPEC Energized Communities (NEC) Grant (Powell estimate is +\$20,000/yr.); annual Community Event Sponsorship; Property Assessed Clean Energy (PACE) financing and traditional financing; Small business energy auditing grants; NOPEC's suite of sustainability & resiliency programming; and, Renewable energy development expertise from NextEra (supplier). Value .
Bulk Buying Power <i>Strength in Numbers</i>	NOPEC is the largest governmental aggregator in the United States. Our scale of nearly 1 million customer accounts and multi year energy purchasing strategy helps better defend against market volatility. Competitive and stable .
Best in Class Customer Service Model	Powell's new aggregation will be managed and supported by experience professionals on day one. Our 24/7/365 Customer Care Center is always open to meet the needs of your residents. Our dedicated Relationship Manager provides ongoing, live and in person support for Powell's leadership. Value, trust, and ease .
NOPEC & NextEra's Pedigree	NOPEC's operating structure, longevity, and financial stability serves Powell's interests in operating a highly professional and transparent program. Combine this with NextEra Energy's strong credit rating and industry performance and the choice is clear: NOPEC is best suited to manage the Powell Electric Aggregation .

NOPEC's proposal brings value, trust, and ease to Powell's electric aggregation needs.

Powell is not just selecting an electric supplier. Powell is selecting the long-term structure behind its aggregation program.

With NOPEC, the City gets more than a brokered supply contract. Powell gets a public-sector aggregation partner with the scale, experience, governance, customer care, and sustainability resources to manage the program well after launch.

Bottom Line

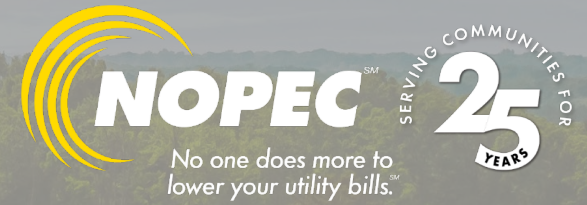
NOPEC is best suited for Powell because we can deliver the immediate program Powell asked for — **competitive, stable, 100% renewable electric aggregation** — while also giving the City a long-term partner for resident education, program accountability, sustainability planning, and future clean-energy progress.



City of Powell | NOPEC

Electric Aggregation Interview

May 21, 2026



Thank you!
Questions and discussion.



Cover Page

RFP Number: 4913-4918-6712.2

Title: Opt-Out Governmental Electric Aggregation Program

Supplier Name:

NextEra Energy Services Ohio LLC
601 Travis St., Ste. 1400
Houston, TX 77002

Governmental Aggregator Name:

Northeast Ohio Public Energy Council (NOPEC)
31360 Solon Rd, Ste. 33
Solon, Ohio 44139

Cover Letter

April 29, 2026

Jeffrey S. Tyler
Assistant City Manager
City of Powell
47 Hall Street
Powell, Ohio 43085

Re: 4913-4918-6712.2 “Opt-Out Governmental Electric Aggregation Program”

Dear Mr. Tyler:

The Northeast Ohio Public Energy Council (“NOPEC”) is pleased to submit this proposal in response to the City of Powell’s Request for Proposals for 100% Renewable Full Requirements Retail Electric Generation Supply for the City’s opt-out governmental aggregation program. Powell’s stated goals of competitive pricing, quality service, transparency, accountability, and a strong renewable energy commitment align well with NOPEC’s experience, mission, and operating model.

NOPEC is a non-profit Council of Governments formed in 2001 to help local governments aggregate electric and natural gas load, strengthen consumer protection, and create broader community value through collective buying power. Today, NOPEC serves 250 member communities across 20 Ohio counties and supplies energy to more than 1 million retail customers, making it the largest governmental energy aggregator in the United States by community count and scale.

NOPEC’s model is designed to deliver more than commodity supply to our members. We combine bulk purchasing power, experienced program administration, regulatory knowledge and expertise, customer education, and sustainability programming to help communities achieve both immediate energy objectives and longer-term policy goals. Our work includes competitive supply procurement, public education, dedicated relationship management, consumer advocacy, and member benefits that extend into energy efficiency, solar readiness, and municipal decarbonization.

Powell’s RFP places particular emphasis on renewable content, Green-e certification, REC sourcing, and the City’s interest in an “on-ramp” strategy toward local, renewable, and clean supply. NOPEC is well-positioned to respond to that request. Since 2017, NOPEC electric aggregation programs have retired more than 12.2 million RECs, and NOPEC has articulated a commitment for its default Standard Program baseload to be 50% supported by renewable energy credits by 2030. In addition, NOPEC’s supplier relationship with NextEra Energy Resources Ohio (NESO) has supported over \$100 million in clean energy project investment through the EarthEra® Trust on behalf of NOPEC customers.

Further, through our supplier relationship with NESO, NOPEC has boots-on-the-ground access to renewable energy development professionals to help achieve Powell's boldest goals for future clean energy independence.

NOPEC respectfully submits this proposal as a responsive, experienced, and community-centered solution for Powell. We appreciate the opportunity to be considered and would welcome the chance to discuss our proposal further.

Sincerely,

A handwritten signature in blue ink, appearing to read "Ross McDonald", is positioned above the typed name.

Ross McDonald
Director of Community Expansion
Northeast Ohio Public Energy Council
440-249-4195
rmcdonald@nopec.org

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Executive Summary

NOPEC is pleased to submit this proposal to provide 100% renewable full-requirements retail electric generation supply for the City of Powell's opt-out governmental aggregation program. NOPEC's approach combines competitive wholesale energy procurement, disciplined risk management, and a public, non-profit governance model designed to deliver price stability, consumer protection, transparent oversight, and strong customer service for participating residents and small businesses. As a council of governments serving 250 member communities and over 1 million customers across Ohio, NOPEC brings more than 25 years of experience administering municipal aggregation programs and leveraging collective purchasing power to secure reliable and competitively priced electricity supply.

NOPEC's proposal directly supports Powell's goal of achieving 100% renewable electricity supply through the use of Renewable Energy Credits (RECs) and structured to meet applicable certification standards such as Green-E Certification. Since 2017, NOPEC aggregation programs have retired more than 12.2 million RECs, and the organization has committed to supporting 50% renewable baseload supply in its Standard Program by 2030, demonstrating a clear trajectory toward increased renewable energy adoption across its member communities.

Through its supplier partnership with NextEra Energy Services Ohio (NESO), a subsidiary of one of the world's largest clean energy developers, NOPEC provides access to large-scale renewable energy resources, wholesale market expertise, and strong financial backing. Since 2017, the NOPEC & NextEra partnership has been a driving force in renewable energy investments across North America. To date, this partnership has resulted in over \$156 million in renewable development investments, including investing more than \$80 million directly into the Columbus Region.

A key differentiator of NOPEC's approach is its disciplined energy hedging and procurement strategy, which uses multi-year purchasing and portfolio diversification to reduce price volatility and provide predictable electricity costs for residents and small businesses. This strategy is further strengthened through independent oversight from Three Rivers Energy, whose team has structured more than \$2 billion in energy transactions across electricity, natural gas, power purchase agreements, and renewable energy credit markets.

Beyond energy supply, NOPEC provides a broader platform of community investment, sustainability, and economic development programs that allow member communities to maximize the value of aggregation. Since 2010, NOPEC has reinvested over \$62 million in community grants through its Energizing Communities program while supporting energy efficiency financing, solar readiness initiatives, and municipal sustainability planning.

Through this proposal, NOPEC offers the City of Powell a comprehensive, community-focused renewable aggregation program that combines competitive pricing, reliable full-

requirements supply, certified renewable energy sourcing, and a long-term strategy for expanding clean energy resources. NOPEC looks forward to partnering with the City of Powell to help achieve its renewable energy goals while delivering stable pricing, strong program administration, and meaningful benefits for its residents and businesses.

Supplier Team and Qualifications

Organizational Profile and Governance Structure

NOPEC was formed in 2000 under Ohio's energy deregulation framework to help local governments aggregate customer demand and negotiate competitively priced electricity and natural gas supply contracts. Since beginning operations in 2001, NOPEC has delivered hundreds of millions of dollars in cumulative savings for residential and small business customers while providing price stability through competitive procurement.

NOPEC is a non-profit governmental aggregation council composed of participating cities, villages, and townships. It is not owned by a private corporation or utility. Its only members are the local political subdivisions that choose to participate. The organization operates as a public, non-profit entity funded through administrative fees negotiated with energy suppliers rather than through taxes or direct dues from residents or communities. This structure differentiates NOPEC from private aggregators by emphasizing public purpose, elected oversight, and community accountability.

Today, NOPEC serves 250 communities and more than 1 million customers statewide. The organization has invested significantly in community programs, including more than \$62 million in NOPEC Energizing Communities (NEC) grants since 2010 and nearly \$2.3 million in community event sponsorships. NOPEC serves communities across the state, including Central Ohio jurisdictions such as Lancaster, Reynoldsburg, and the Village of Plain City (beginning in July 2026), with additional regional participation from cities such as Mansfield and Springfield.

The Governance Structure of NOPEC is rooted in local representation and is board-led and member-driven:

- **General Assembly:** The primary governing body consists of one appointed representative from each member-community. This assembly sets policy direction and provides broad oversight.
- **Board of Directors:** The General Assembly elects a Board of Directors composed of representatives from across the NOPEC service area. The Board provides ongoing governance, strategic oversight, and fiduciary supervision.
- **Executive Leadership:** The Board appoints an Executive Director/CEO and other senior executives to manage day-to-day operations, implement strategy, and oversee administrative functions.

- Professional Staff: provide member communities with expertise in energy procurement, program administration, sustainability initiatives, regulatory compliance, and community support services to ensure reliable energy supply, effective program management, and access to resources that advance local economic development and energy goals.

Organizational Certifications

NOPEC does not generate or physically deliver electricity or natural gas. Instead, it administers governmental aggregation programs and procures energy supply on behalf of its member communities through competitive bidding with retail energy suppliers certified by the Public Utilities Commission of Ohio (PUCO). The local electric or natural gas utility continues to own and maintain the poles, wires, and distribution infrastructure and is responsible for delivering service to customers.

NOPEC affirms that it is in full compliance with all applicable federal, state, and local laws, ordinances, and regulatory requirements governing the provision of competitive retail electric service. NOPEC is duly authorized to operate as a competitive electric supplier in the State of Ohio and maintains all required registrations, certifications, and licenses.

NOPEC is certified by the Public Utilities Commission of Ohio (PUCO) as a Competitive Retail Electric Service (CRES) provider and operates in accordance with all applicable provisions of the Ohio Revised Code and Ohio Administrative Code, including PUCO consumer protection, disclosure, reporting, and operational requirements applicable to governmental aggregation programs.

NOPEC maintains its PUCO certification in good standing and satisfies all financial, technical, and managerial standards required of certified electric service providers. NOPEC's current certification by the PUCO as a CRES provider is Certificate Number: 01-0443. NOPEC further represents that it has experience supporting municipal aggregation programs and complies with all requirements applicable to the implementation and administration of such programs.

NOPEC holds and will continue to maintain all permits, approvals, and authorizations necessary to perform the services described in this RFP for the term of any agreement awarded. Supporting documentation, including PUCO certification information, will be provided upon request.

Energy Supplier Selection Process

NOPEC's selection of its current supplier was conducted through a national request for proposal process for best-in-class suppliers for electric and natural gas supply and with the assistance of an independent national energy procurement consultant. NOPEC's RFP contained stringent requirements including but not limited to favorable pricing, financial security for performance, creditworthiness/credit rating of the supplier, supplier's

performance and commitment to renewable energy development in the US, commitment to energy efficiency and sustainability support for our 250+ Ohio member communities, and innovative NOPEC programming, flexibility, exclusivity, and the absence of fees for NOPEC customers.

Customer service is paramount, with quality standards in place regarding back office, call center, opt out mailing administration and other customer-facing activities. The best-in-class call center was also a requirement, resulting in NOPEC's 24/7 call center in the United States, setting it apart from every other governmental aggregator. NOPEC also goes to great lengths to ensure compliance with all Federal, Ohio and local laws and regulations. The result of our nationwide process was the selection of NextEra Energy, the largest developer of renewable generation projects in North America with the highest credit rating of any electric company in the country. The long term contract we entered into with NextEra benefits our member communities and their residents in the NOPEC aggregation, as NOPEC negotiates on their behalf in procuring a highly competitive price and terms for energy commodity without the risk of engaging with unknown, direct-to-market suppliers with less favorable creditworthiness or questionable supply chain partners lacking commitment to sustainability. In addition, the selected supplier by NOPEC, NextEra Energy, aligns with and meets NOPEC's core values and mission.

Energy Supplier Overview

NextEra Energy, Inc. (NYSE: NEE) is a leading clean energy company headquartered in Juno Beach, Florida. NextEra Energy owns Florida Power & Light Company, which is America's largest electric utility and sells more power than any other utility, providing clean, affordable, reliable electricity to approximately 5.8 million customer accounts, or more than 12 million people across Florida.

NextEra Energy also owns a competitive clean energy business, NextEra Energy Resources, LLC, which, together with its affiliated entities, is the world's largest generator of renewable energy from wind and sun and is a world leader in battery storage. Through its subsidiaries, NextEra Energy generates clean, emissions-free electricity from seven commercial nuclear power units in Florida, New Hampshire and Wisconsin. NextEra Energy has been recognized often by third parties for its efforts in sustainability, corporate responsibility, ethics and compliance.

NextEra Energy industry recognition:

- Strong long-term credit ratings of A- from Standard & Poor's, Baa1 from Moody's, and A- from Fitch.
- In 2025, NextEra Energy was included on Forbes "America's Best Companies" list.
- In 2025, NextEra Energy was once again named to Fortune's list of "Most Admired Companies" in the electric and gas utilities industry.
- NextEra has been recognized as one of the "World's Most Ethical Companies" by the Ethisphere Institute 14 times.

- NextEra Energy was named to Newsweek’s list of America’s Most Responsible Companies in 2024 for the fourth year in a row.

Strategy to Support Local, Renewable, and Clean Energy Supply

Since 2017, the NOPEC & NextEra partnership has been a driving force in renewable energy investments across North America. To date, our partnership has resulted in over \$156 million in renewable development investments, including investing more than \$80 million directly into the Columbus Region.¹ In addition, NextEra is awaiting regulatory approval for a large-scale Circleville Solar Project in Pickaway County, which is planned to generate up to 70 MW of clean, renewable energy in the Columbus Region. See table below for additional information.

Local, Renewable, and Clean Energy Supply Projects			
Status	Project Name	County	Size (MW)
Operational	Jackson Pike Solar	Franklin	18
Operational	Parsons Ave Solar	Franklin	27
Awaiting Regulatory Approval	Circleville Solar Project ²	Pickaway	Up to 70

Energy Hedging Strategy

NOPEC is a recognized leader in energy hedging strategies for governmental aggregation programs, using disciplined, multi-year procurement and risk management practices to reduce price volatility, stabilize rates for residents and businesses, and deliver more predictable energy costs than many competing aggregation providers.

Three Rivers Energy was engaged by NOPEC following a national search to provide an additional layer of expertise and oversight in hedging and procurement as NOPEC secures electricity and natural gas supply for its member communities. Three Rivers Energy has structured and managed more than \$2 billion in energy transactions, including electricity and natural gas contracts, tolling agreements, power purchase agreements, voluntary and compliance REC transactions, and fuel oil hedges for retail, industrial, and institutional clients. NOPEC’s primary contact, Managing Director Doug Condon, brings more than 35 years of experience in the energy industry. This structure provides NOPEC with deep governmental aggregation experience, institutional procurement discipline, access to large-scale supplier capabilities, and a framework for prudent risk management.

Prior Experience

Organizational Capacity, Tools, and Administrative Resources

NOPEC has administered municipal electric and natural gas aggregation programs for 25 years, serving hundreds of communities across Ohio and managing procurement, program launch, opt-out administration, customer support, and long-term program operations.

¹ <https://www.columbus.gov/News-articles/City-Begins-Construction-of-Two-Solar-Projects-in-Support-of-Division-of-Power-Customers-Columbus-Climate-Action-Plan>

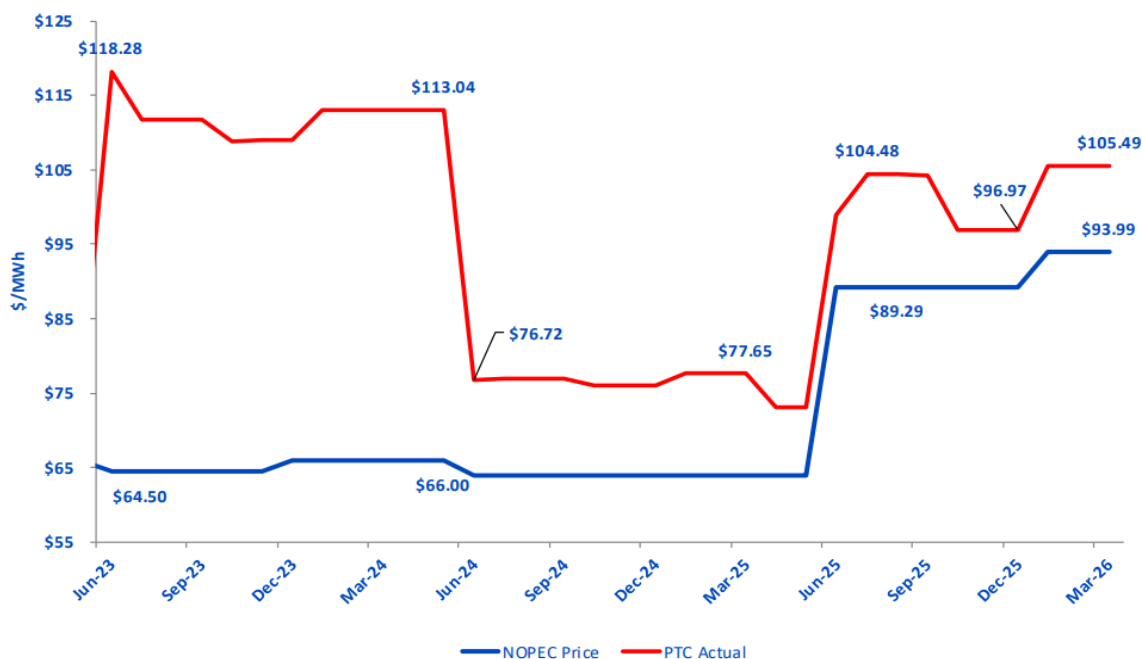
² https://www.nexteraenergyresources.com/circleville-solar/project-overview.html?utm_source=chatgpt.com

Through nearly 1 million aggregated residential and small business accounts, NOPEC leverages scale to secure strong supplier participation and competitive pricing.

Price Competitiveness, Stability, and Risk Management: Understanding Powell’s RFP emphasis on both price competitiveness and stability, NOPEC addresses this through a conservative, market-responsive procurement strategy that combines disciplined purchasing, large-scale portfolio diversification, and continuous monitoring of wholesale markets and utility benchmark pricing. Customers retain no-penalty opt-out protections and flexible rate options, and NOPEC has demonstrated a willingness to return customers to utility default service when it offers better value.

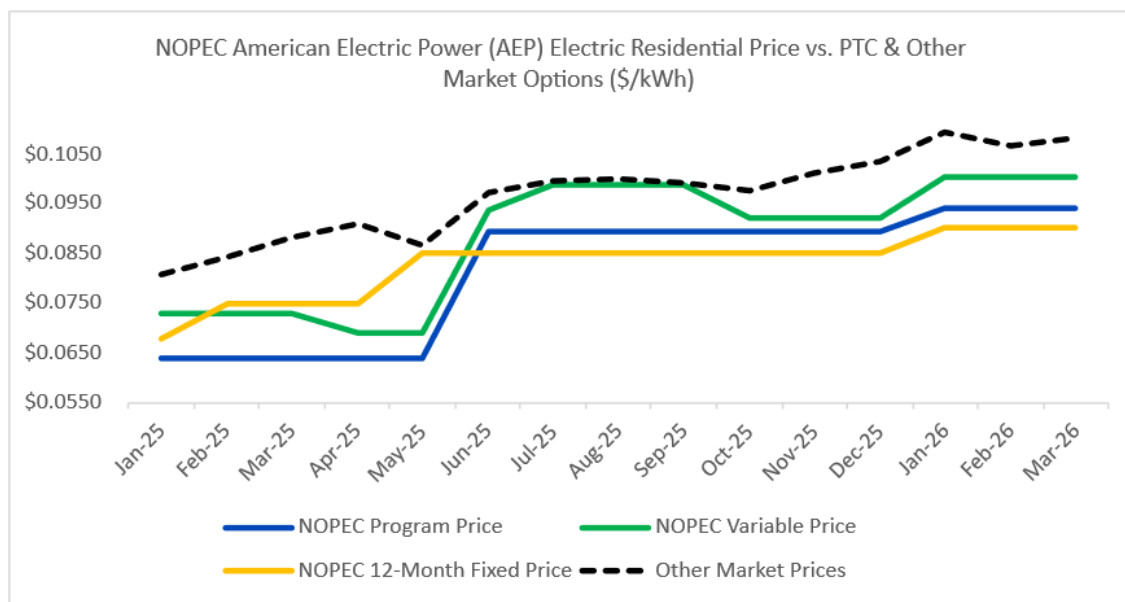
For Powell, this approach balances renewable goals, market discipline, price transparency, and strong customer protections. During the 2023–2026 electric term in AEP territory, NOPEC’s Standard Program averaged roughly 25–30% lower than AEP’s Price to Compare (PTC) while also supporting community grants and local sponsorships (see chart below).

NOPEC SPP vs AEP PTC



Note: SPP = Standard Program Price; and PTC = Price to compare

NOPEC's broader portfolio of electric products have also shown significant savings versus marketplace options in the AEP territory:



Electric Chart Footnotes:

- 1) NOPEC Variable Price (FE & AEP) is a 6% discount to the Utility's Price to Compare (PTC)
- 2) "Others" represents the blended average 12-month term offers published by the largest Retail Electric Suppliers* on EnergyChoiceOhio.gov and the PTC (FE 80%/20%; AEP 61%/39%).

Renewable Strategy and Clean Energy Support: NOPEC has long operated at the intersection of aggregation and sustainability, with more than 12.2 million Renewable Energy Credits (RECs) retired since 2017 through its aggregation programs. NOPEC has also committed to supporting 50% renewable baseload in its Standard Program by 2030, demonstrating a clear trajectory toward cleaner supply that supports Powell's ambitious goals of a proposed 100% renewable structure.

Beyond procurement, NOPEC supports clean energy development and community sustainability through supplier-backed investments—including over \$100 million contributed to the EarthEra® Trust for renewable projects—as well as initiatives such as SolSmart solar readiness programs, municipal decarbonization assessments, and energy efficiency investments. Together, these efforts position NOPEC not just as an energy supplier, but as a long-term partner in advancing community clean energy strategies.

Sustainability Planning: NOPEC supports member communities by advancing local sustainability, energy resilience, and climate planning initiatives. NOPEC works with communities to develop and implement programs that strengthen energy efficiency, expand clean energy adoption, and improve long-term infrastructure resilience. We also connect communities to technical resources, policy guidance, and best practices that help local governments integrate sustainability goals into practical projects and community programs.

Customer Service and Account Management: NOPEC supports member communities through a 24/7 Customer Care Center designed to provide responsive, high-quality service throughout the life of the aggregation program. The NOPEC Customer Care Center, located in Marquette, Michigan, includes a dedicated team of more than 20 full-time call center agents, along with a Team Supervisor and NOPEC Customer Service Program Manager who are experienced in all aspects of NOPEC’s electric and natural gas aggregation programs. The team also manages the online chat function available through the NOPEC website.

Staffing levels are structured around strict Service Level Agreement (SLA) standards, ensuring agents are available 24 hours per day, 7 days per week. The call center maintains strong performance metrics, including a 98% average quality score year-to-date, an average annual call volume of approximately 5,580 calls, and an average wait time of just 8.3 seconds, with a dropped call rate of less than 0.001%. The center also provides translation services supporting over 100 different languages and disability assistive services to ensure accessibility for all customers. NOPEC maintains active oversight of customer service performance. The operations team reviews weekly dashboard reports, monitors calls during peak periods, and can pull and review calls at any time. All customer complaints are assessed and addressed within one business day to ensure prompt resolution.

In addition, each member community is assigned a dedicated Relationship Manager who serves as the primary liaison with local leadership. Relationship Managers assist with constituent inquiries, coordinate issue resolution with energy suppliers, and provide updates to city leadership to ensure the program remains aligned with community priorities. Together, this combination of professional call center support and community-level account management will ensure Powell residents receive reliable service and responsive program administration.

Reporting, Transparency, and Performance Monitoring: NOPEC employs a structured oversight framework to track supplier performance, program participation, pricing competitiveness, customer service outcomes, and regulatory compliance. Core monitoring areas include enrollment and participation levels, opt-out and attrition trends, complaint resolution, pricing comparisons to utility benchmarks, and key program milestones and notification requirements.

Aligned with Powell’s emphasis on Reporting and Transparency as a key evaluation factor, NOPEC’s governance model provides a strong advantage. As a public council of governments, NOPEC operates with a member-led structure that emphasizes accountability, open governance, and clear program reporting to participating communities and their elected leadership. This structure ensures that member communities and the Board of Directors maintain high standards of transparency, oversight, and professional conduct throughout program administration.

Community Outreach and Public Education: NOPEC's outreach model can help ensure Powell residents understand how aggregation works and why specific program options have been selected (i.e., renewable energy products). NOPEC's approach includes pre-launch briefings for local officials and residents, support for public meetings and hearings, legally required opt-out notices written in plain language, community-specific FAQs and educational materials, ongoing communications when pricing or program conditions change, and continuous access to live customer support.

For Powell, where renewable content and program structure may generate heightened public interest, NOPEC's outreach framework helps ensure residents receive clear, transparent information throughout program launch and operation. NOPEC's effective aggregation programs depend not only on sound procurement, but also on consistent public education and communication with residents.

Economic Development and Community Investment Initiatives: NOPEC supports member communities through a range of economic development, sustainability, and funding initiatives designed to expand access to energy resources, strengthen local economies, and attract external investment. Collectively, the programs highlighted below allow NOPEC member communities to leverage external resources, modernize public facilities, reduce energy costs for businesses and residents, and advance long-term economic and sustainability goals.

NOPEC Energizing Communities (NEC) Grant Program - NOPEC provides annual funding to member communities to support local energy efficiency, infrastructure improvements, and community development projects. Grants are allocated based on a community's electric and/or natural gas program participation and can be used for projects such as municipal building energy upgrades, lighting retrofits, HVAC improvements, public safety facility enhancements, park and recreation infrastructure, and other community capital needs. Since 2010, \$62 million have been distributed to hundreds of Ohio communities, helping municipalities reduce energy costs, modernize public facilities, and fund projects that might otherwise be difficult to finance through local budgets. Many communities also choose to escrow NEC grant funds over multiple years to support larger capital improvements. The program reflects NOPEC's broader mission to reinvest aggregation program benefits directly back into the communities it serves.

Property Assessed Clean Energy (PACE) Program - NOPEC supports economic development and energy investment in member communities through PACE financing programs. PACE enables commercial, industrial, nonprofit, and certain multifamily property owners to finance energy efficiency, renewable energy, and resiliency improvements with long-term, fixed-rate capital that is repaid through a special assessment on the property tax bill rather than a traditional loan structure. Through partnerships with PACE administrators and capital providers, NOPEC helps connect member communities and local property owners with financing that supports building modernization, reduces energy costs, and stimulates private investment in local

infrastructure. PACE projects often create local construction activity while helping communities advance sustainability and economic development goals.

Savings Through Efficiency Program (STEP) Loan Program – NOPEC provides a financing program designed to help homeowners fund energy efficiency and home improvement projects through low-interest loans. The STEP Program supports upgrades such as HVAC systems, insulation, windows, roofing, and other improvements that reduce energy use and utility costs. Loans are typically repaid through the homeowner's property tax bill over time, allowing residents to spread costs over multiple years while benefiting from immediate energy savings. For NOPEC member communities, STEP loans help expand access to efficiency improvements, reduce long-term household energy costs, and stimulate local economic activity by supporting home improvement and contractor services.

Small Business Energy Audit Program – NOPEC's Small Business Energy Audit Program helps businesses in member communities offset the cost of professional energy audits. A dedicated Business-to-Business Manager works directly with local economic development leaders to deploy these funds and strengthen partnerships with the U.S. Small Business Administration.

Sustainability Technical Assistance Resource (STAR) Program - Through NOPEC's STAR Program, several Ohio communities received municipal carbon inventories, building energy audits, and solar site readiness assessments. NOPEC fully funded these assessments, averaging approximately \$70,000 per community, providing participating municipalities with documentation needed to pursue federal and state energy and sustainability grants.

Federal and State Grant Development - NOPEC actively pursues external funding opportunities on behalf of member communities. Current efforts include serving as the lead applicant for a \$20 million EPA Community Cares grant focused on residential and community solar initiatives. NOPEC has also supported major grant proposals, including a \$2.9 million application for the City of Warren for streetlight modernization through the Governor's Office of Appalachia. This federal and state grant development capacity is available to all NOPEC community members, which is positioned to support the city of Powell's long term development priorities.

USDA Energy Program Partnership - NOPEC maintains a long-standing partnership with the U.S. Department of Agriculture, securing multiple rounds of funding to provide low-cost energy efficiency loans to small businesses in member communities. Since 2017, several million dollars have been deployed through this program, including a recent \$2.5 million award currently in use, with discussions underway regarding a potential \$20 million expansion.

NOPEC Neighborhood Next Program – This is a new path for low-and-moderate-income, energy efficient home ownership targeted at veterans. Working through the Ohio Property

Assessed Clean Energy laws, NOPEC has uncovered a way to enable LMI individuals to purchase and thrive in an energy efficient home, possessing 30-60% equity on day 1 of their ownership of the home. NOPEC is currently piloting this program in coordination with the Ashtabula County Land Bank in Northeast Ohio for 4 new-built homes.

Ennovate Advisors Program – This is a strategic division of NOPEC that helps Ohio businesses, municipalities, and non-profit organizations make informed energy decisions through transparent, expert guidance. Ennovate offers competitively sourced electric and natural gas procurement using multi-supplier bidding, customized pricing strategies, and personalized support from a dedicated energy advisor. From assisting in contract review to enrollment, Ennovate serves as a trusted resource for organizations looking to manage energy costs with confidence. In NOPEC member communities, Ennovate Advisors only serves businesses that exceed the energy usage allowed for participating in the community's aggregation program.

Relevant Organizational Experience and Comparable Past Performance

NOPEC has extensive experience administering electric and natural gas aggregation programs for communities of varying sizes across Ohio. The following examples illustrate NOPEC's ability to successfully launch and manage aggregation programs, support community outreach during enrollment, and deliver measurable local benefits through initiatives such as the NOPEC Energizing Communities Grant Program, community sponsorships, and targeted infrastructure and energy efficiency investments. Collectively, these partnerships demonstrate NOPEC's consistent track record of reliable program administration, strong municipal collaboration, and meaningful community investment.

City of Reynoldsburg (Electric and Natural Gas Member)

The City of Reynoldsburg, Franklin County, joined NOPEC's Electric Aggregation in August 2023 and NOPEC's Natural Gas Aggregation in May 2023. NOPEC currently serves 15,817 enrollments combined for electric and natural gas. Over the duration of the city's NOPEC membership, Reynoldsburg has been awarded over \$155,000 in NEC Grants for energy efficiency upgrades to municipally owned buildings. Reynoldsburg elected to escrow their NEC Grant for two years to fund a major lighting replacement project at city hall this year. The project significantly reduced energy use at city hall and improved lighting for visitors and employees. Reynoldsburg's annual Tomato Festival turned 60 years old in 2025, and NOPEC's \$3,500 sponsorship went a long way to ensuring a successful event this year.

Village of Lexington (Electric and Natural Gas Member)

The Village of Lexington, Richland County, joined NOPEC's Electric Aggregation in September 2018 and NOPEC's Natural Gas Aggregation in May 2020. NOPEC currently serves 1,793 enrollments combined for electric and natural gas. Over the duration of the village's NOPEC membership, the village has been awarded over \$66,000 in NEC Grants for upgrades to municipally owned buildings. Specific projects include a 2023 roof replacement for the Lexington Senior Center and window replacements for the same

building in 2025. NOPEC also proudly sponsored Lexington’s “2025 Blueberry Festival of Ohio” in the amount of \$1,500.

City of Springfield (Electric Member)

The City of Springfield, Clark County, joined NOPEC’s Electric Aggregation in December 2018, with a current enrollment of 11,467. Since 2018, Springfield has been awarded nearly \$500,000 in NEC Grants that have been used to fund various important projects. NOPEC is particularly proud of our NEC Grant being used to replace the roof for Springfield’s Fire Station #1 in 2019 and the roof for the Downs Building in 2025, which houses the city’s SWAT personnel and equipment. NOPEC also sponsored a community bicycling festival and winter holiday celebration for the city in 2025, totaling \$2,000.

City of Richmond Heights (Electric and Natural Gas Member)

The City of Richmond Heights, Cuyahoga County, with approximately 10,500 residents, recently expanded its participation with NOPEC by adding an Electric Aggregation Program to its existing natural gas membership. During the program launch, NOPEC’s Relationship Manager provided guidance and assistance throughout the electric aggregation enrollment and onboarding process, including leading public meetings to help residents understand the program. The city has also benefited NEC Grants, which supported improvements such as replacing two air conditioning units at the Community Center in 2021 (\$10,950) and upgrading City Hall lighting to LED in 2024 (\$11,220). In addition, NOPEC supported community engagement through sponsorship of the city’s 2024 Fall Fun Festival (\$750).

Saybrook Township (Electric and Gas Member)

Saybrook Township, Ashtabula County, with approximately 10,000 residents, is a long-standing dual-member NOPEC community, participating in the electric aggregation program since 2001 and the natural gas program since 2002. The township has also benefited from several NOPEC-supported community initiatives. Through the NOPEC Foundation, a \$39,500 matching grant helped fund new water-rescue suits for the county’s emergency response team after the closure of a local U.S. Coast Guard facility required expanded emergency services in the region. In addition, nearly \$80,000 in NEC Grants has supported modernization and upgrades to the Township’s fire hall, helping strengthen local emergency infrastructure.

Minimum Prior Experience Requirements

Per the RFP requirements, NOPEC has provided the following evidence as the minimum prior experience requirements in the following Appendices:

- Appendix A - Most Current Audited Financial Statements.
- Appendix B – Current NOPEC Members. This comprehensive list includes join date, which is responsive to the RFP’s minimum 5 years in electricity supply and delivery.
- Appendix C – NOPEC and NESO Current CRES Provider Certificates.

Personnel

Quality and Expertise of Technical and Support Personnel

The NOPEC team consists of a diverse group of public servants that provide the highest level of community and consumer support. Our team is built around core values and united to serve as a key resource for all NOPEC member communities. The following list notes key staff that will be available to provide direct support during the on-boarding process, however, NOPEC is proud to have a team of 20+ FTE professionals available to support the community from sustainability to economic development to policy advocacy or aggregation program support.

Direct Support for the City of Powell

Ross McDonald; Director of Community Expansion

Experience: As NOPEC's inaugural Director of Community Expansion, Ross leads residential aggregation growth strategy across Ohio. Prior to NOPEC, he served as Director of Elections for Lake County and brings more than 15 years of experience in public administration and nonprofit board leadership. A native of Central Ohio, Ross is a graduate of Ohio Wesleyan University.

Role: Facilitate the regulatory and implementation process for Powell's aggregation program, including coordination with the Public Utilities Commission of Ohio (PUCO), preparation and filing of the Plan of Operation and Governance (POG), management of utility eligibility file requests, development and submission of opt-out notices and required regulatory materials, and oversight of the initial customer enrollment and opt-out period to ensure full compliance with Ohio Revised Code §4928.20 and related PUCO requirements.

Brenda Fargo; Director of Member Development

Experience: Over 25 years working in various roles related to utility aggregation in Ohio, Pennsylvania, Illinois and Massachusetts at the municipal level. She is also the former Mayor and Councilwoman; City of Green, Ohio.

Role: Support the regulatory and implementation process for Powell's aggregation program, including coordination with the Public Utilities Commission of Ohio (PUCO), preparation and filing of the Plan of Operation and Governance (POG), management of utility eligibility file requests, development and submission of opt-out notices and required regulatory materials, and oversight of the initial customer enrollment and opt-out period to ensure full compliance with Ohio Revised Code §4928.20 and related PUCO requirements.

Genny Costanzo; Relationship Manager

Experience: Government and stakeholder relations professional with over 18 years of relationship-focused experience, including 8+ years in Relationship Management and

government engagement across Ohio. Skilled in legislative outreach, strategic advocacy, stakeholder coordination, and public representation for complex energy aggregations.

Role: Serve as the primary point of contact for the city throughout the life of the aggregation program, providing ongoing coordination between the municipality, the energy supplier, and the utility. Responsibilities include responding to constituent inquiries, coordinating issue resolution, providing program performance updates, supporting community communications, and ensuring the program continues to align with the City's policy priorities and regulatory requirements.

Aaron Marcovy; Chief Business Development Officer

Experience: Oversees Government Affairs, Community & Economic Development and Business-to-Business support and works closely with other internal stakeholders, including Marketing, Finance, Operations, and Information Systems, to ensure alignment across the organization's growth strategy. Administers business-to-business grants & programs, and the largest energy efficiency grants program in Ohio.

Role: Provide economic development support services to the City by connecting local businesses, residents, and municipal leadership with NOPEC's community investment and energy programs. Responsibilities include assisting with access to Energizing Communities grants, energy efficiency financing programs such as STEP and PACE, small business energy audit support, and identifying opportunities for federal, state, and private funding that advance local economic development and sustainability goals.

Caitlin Tomola; Marketing Manager

Experience: As the Marketing Manager at NOPEC, she blends her passion for communications and sustainability to assist member communities. With an educational background in Public Relations and Environmental Health Science, she is dedicated to enhancing public understanding of the energy industry and its environmental impact.

Role: Provide communications and outreach support during program onboarding, including development of community education materials, website updates, and social media content to help residents understand the aggregation program, enrollment process, and available energy supply options. Responsibilities include supporting public meetings, coordinating messaging with City leadership, and ensuring residents have clear and accessible information throughout the program launch.

Indirect Personnel Support for the City of Powell

Advocacy

Chuck Keiper III; Executive Director & CEO

Experience: More than 17 years elected-service – President, Portage County Board of Commissioners (1993 – 2010). Responsible for the overall leadership, management and accountability of all NOPEC programs and services. (2011 – Present)

Role: Provide overall executive oversight of the City’s aggregation program, ensuring effective program administration, regulatory compliance, and alignment with NOPEC’s strategic priorities and member community interests. Responsibilities also include supporting legislative and regulatory advocacy on behalf of member communities to protect municipal aggregation authority, consumer protections, and competitive energy markets in Ohio.

Joshua Burns; Director of Government Affairs

Experience: Responsible for directing the relationship management and political affairs of all related elected and appointed officials and key stakeholders/partners in order to enhance existing membership support and promote organizational growth.

Role: Provide government relations and stakeholder coordination support for the City’s aggregation program, serving as a liaison between NOPEC, local officials, and key regional energy stakeholders. Responsibilities include supporting municipal relationship management, assisting with policy coordination, and advocating for policies that protect municipal aggregation authority and competitive energy markets throughout the state of Ohio.

Sustainability

Deepa Vedavyas; Director of Resiliency and Sustainability

Experience: Urban sustainability and climate policy leader with more than 15 years of experience advancing clean energy and resilience initiatives. She previously led the City of Cleveland’s Clean and Equitable Energy Future Plan and helped secure LEED for Cities Silver certification. A global speaker at ICLEI’s World Congress and the World ESG Forum and a delegate to UN COP27 and COP28, she also serves on multiple local, state, and national advisory boards. She holds a Master’s in Urban Planning from Virginia Commonwealth University and a Master’s in Sustainability from Harvard University.

Role: Support NOPEC member communities by advancing local sustainability, energy resilience, and climate planning initiatives. Her role also includes connecting communities to technical resources, policy guidance, and best practices that help local governments integrate sustainability goals into practical projects and community programs.

Energy Supplier Support

David Sneed; Manager, Retail Operations for NextEra Energy Services

Experience: Experienced Business Analyst with a demonstrated history of working in electric and gas aggregations. Skilled in Analytical Skills, Microsoft Office suite, Customer Service and Operational Management.

Role: Support the technical onboarding and operational implementation of the aggregation program, including coordination with the local distribution utility, integration of customer enrollment data, scheduling of load nominations, and establishment of billing and settlement processes. Responsibilities include ensuring a smooth transition to supply service and maintaining compliance with PJM market and PUCO operational requirements.

Customer References

City of South Euclid, OH.

Mayor Georgine Welo

mayor@seuclid.com

(216) 381-0400 x221

Village of Lexington, OH.

Administrative Director Peter Them

pthem@lexingtonohio.us

(419) 884-7272

City of Lancaster, OH.

Mayor Don McDaniel

mayor@lancasterohio.gov

sseesholtz@lancasterohio.gov

(Executive Assistant)

(740) 687-6600

City of Reynoldsburg, OH.

Mayor Joe Begeny

jbegeny@reynoldsburg.gov

(614) 322-6800

City of Springfield, OH.

City Manager Bryan Heck

bryan.heck@springfieldohio.gov

(937) 324-7300

Contract Performance

Bankruptcy

NOPEC has never declared bankruptcy and maintains strong financial health. This claim is supported by the results of public audits and is maintained through strong public governance by the NOPEC Board of Directors. NOPEC is a proud multi-time receipt of the Ohio Auditor of State Award for exceptional public accounting practices. A copy of NOPEC's most current Audited Financial Statements are provided in "Appendix A".

Civil Penalties, Judgements, Consent Decrees, Other Sanctions

None.

Defaults and Noncompliance

None.

Cost Proposal

Product 1: Full Requirements Retail Electric Generation Supply Product

	(Fixed ¢/kWh)				
<u>100% Green Offer : Sep26 Start</u>	Energy	Capacity	Ancillaries	Green-E Voluntary RECS	Total Rate
12-Month	\$7.7180	\$2.9300	<i>Included in Energy</i>	\$0.3510	\$10.9990

- REC adder reflects current Voluntary REC brokers offers and estimated Green-E costs.
- NOPEC offers 7 different products for its customers. The price quoted above is for the 100% Green-E® REC product as the default. Even if a customer switches to the non-renewable product within NOPEC's portfolio, they will still receive a minimum 25% REC backed product. More information regarding the additional power products is listed below in the Additional NOPEC Electric Products section.
- Energy prices reflect current unhedged market estimate, subject to change with market movement. NOPEC reserves the right to re-bid the City's load to save the program additional costs upon award.

Where are the RECs being quoted sourced from? NOPEC is committed to sourcing Green-E® RECs as close to our customer footprint as is commercially reasonable.

Additional NOPEC Electric Products

While NOPEC understands that Powell's request is specifically for 100% renewable supply, the City's RFP also permits responders, at their discretion, to include additional pricing structures or products that may be valuable for consideration. This optional flexibility should not be read as a substitute for Powell's requested renewable structure. Rather, it reflects NOPEC's ability to support future program evolution if the City ever wishes to evaluate additional product pathways.

Accordingly, beyond providing a fully responsive 100% renewable proposal, NOPEC also offers its electric aggregation members exclusive, member-only power products, including alternative rate schedules beyond those contained in this proposal, as summarized below.

- **NOPEC's Standard Program Price**, which currently includes 25% REC-backed content is variable in nature and is consistently cheaper than the electric utility's price to compare (PTC). The Standard Program traditionally serves as the default product upon enrollment for new member communities seeking standard electric (carbon mix).
- **12- or 24-Month Fixed Products**. After enrollment, residents can shop among our fixed-term products of 12 and 24 months (both carbon mix and 100% renewable). In NOPEC member communities, residents may abandon the duration of their fixed term without penalty should they decide on a different supplier offering. This feature is extraordinarily rare in Ohio's energy marketplace.
- **Monthly Variable Rate**. For electric program participants, this product is a guaranteed savings of 6% -vs- the utility's PTC.

Funding Model

Our aggregation programs are structured to impose no membership dues on participating communities. All administrative costs to operate aggregation programs with NOPEC are funded through negotiated supplier agreements, which eliminates any need for municipal funding or kilowatt hour fees. These supplier agreements cover NOPEC's operational costs, which includes contract negotiation, customer communications, program administration, and community outreach. As a result of this council of government funding model, NOPEC community members do not get charged a fee for aggregation services. This is a competitive advantage for communities that use a council of government aggregation compared to a consultant-led aggregation program.

Contract Terms, Compliance, and Aggregation Agreement

NOPEC understands and accepts the legal and operational framework applicable to Ohio governmental aggregation, including Ohio Revised Code Section 4928.20, applicable PUCO oversight, opt-out notice requirements, customer eligibility rules, and Plan of Operation and Governance requirements.

NOPEC also supports the following Powell requirements:

- no termination fee for program participants,
- full requirements supply responsibility,
- utility consolidated billing where available,
- and supplier accountability for service performance and operational integrity.

NOPEC’s existing philosophy is already consistent with these requirements. NOPEC does not charge termination fees, does not impose hidden charges, and is structured to avoid direct financial burden on participating communities.

Draft copies of the NOPEC Electric Agreement, its Bylaws, and the NOPEC Plan of Operations and Governance are submitted as one document titled “Appendix D – NOPEC Power Supply Agreement.”

Implementation Timeline

Task	September 2026 Supply Start	October 2026 Supply Start
	PENDING: City of Powell	
Community-approved POG filing with the PUCO	6/10/2026	7/6/2026
Request utility eligibility files	6/17/2026	7/15/2026
Opt-out materials due to Legal	7/9/2026	8/6/2026
Opt-out materials due to the PUCO	7/10/2026	8/7/2026
NOPEC reviews mailing lists	7/9/2026- 7/13/2026	8/5/2026- 8/7/2026
Proof review process	7/16/2026- 7/20/2026	8/10/2026- 8/12/2026
Mail date	7/22/2026	8/19/2026
Opt-out period	7/23/2026- 8/12/2026	8/20/2026- 9/9/2026
Supply begins	8/28/2026 forward	9/29/2026 forward

ATTACHMENT A

Non-Collusion Affidavit

STATE OF OHIO

:
:
SS

COUNTY OF CUYAHOGA

:

The undersigned Supplier ("Affiant"), being first duly sworn and cautioned, states the following in connection with the proposal for Powell's Request for Proposals – Full Requirements Retail Electric Generation Supply for Powell's Opt-Out Governmental Aggregation Program:

1. I understand and acknowledge that it is against the law to engage in collusion when preparing a bid for a public contract and hereby certify that the bid amount contained in this bid is an independent, balanced and honest bid amount, made without collusion, consultation, communication, or agreement, for the purpose of restricting competition, as to any matter relating to the prices contained herein, with any other contractor or competitor or any elected or appointed official or employee of the City.
2. I further certify that the subcontractors and/or Suppliers with whom I expect to deal, if awarded this contract, have certified that their bids are made without collusion or communication as provided herein.
3. I further understand that my bid will be rejected if there is evidence of collusion, including disclosure of the prices in this bid, either directly or indirectly, to any other Supplier prior to opening.

FURTHER AFFIANT SAYETH NAUGHT.

SUPPLIER: NOPEC/NextEra Energy Services Ohio

By: 

Printed Name and Title:

Ross McDonald, Director of Community Expansion

Sworn to before me and subscribed in my presence this 29th day of APRIL, 2026.



Notary Public

0128851.0615531 4913-4918-6712v2



BONNIE BRODNIK
Notary Public
State of Ohio
My Comm. Expires
November 18, 2029



**NORTHEAST OHIO PUBLIC ENERGY COUNCIL
CUYAHOGA COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2024-2023-2022

**NORTHEAST OHIO PUBLIC ENERGY COUNCIL
CUYAHOGA COUNTY
DECEMBER 31, 2024, 2023 AND 2022**

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**NORTHEAST OHIO PUBLIC ENERGY COUNCIL
CUYAHOGA COUNTY
DECEMBER 31, 2024, 2023 AND 2022**

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OHIO AUDITOR OF STATE KEITH FABER

65 East State Street
Columbus, Ohio 43215
ContactUs@ohioauditor.gov
800-282-0370

INDEPENDENT AUDITOR'S REPORT

Northeast Ohio Public Energy Council
Cuyahoga County
31360 Solon Road, Suite 33
Solon, Ohio 44139

To the Board of Directors:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and the General Fund of the Northeast Ohio Public Energy Council, Cuyahoga County, Ohio (the Council), as of and for the years ended December 31, 2024, 2023 and 2022, and the related notes to the financial statements, which collectively comprise the Council's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the General Fund of the Northeast Ohio Public Energy Council, Cuyahoga County, Ohio as of December 31, 2024, 2023 and 2022, and the respective changes in financial position for the years then ended in accordance with the accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Council, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Council's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Council's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and schedules of net pension and other post-employment benefit liabilities and pension and other post-employment benefit contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements.

We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 9, 2026, on our consideration of the Council's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Council's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Council's internal control over financial reporting and compliance.

KEITH FABER
Ohio Auditor of State



Tiffany L. Ridenbaugh, CPA, CFE, CGFM
Chief Deputy Auditor

January 9, 2026

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NORTHEAST OHIO PUBLIC ENERGY COUNCIL CUYAHOGA COUNTY

Management's Discussion and Analysis *December 31, 2024 and 2023* *(UNAUDITED)*

The management's discussion and analysis of the Northeast Ohio Public Energy Council, Cuyahoga County, Ohio, (NOPEC's) financial performance provides an overall review of NOPEC's financial activities for the years ended December 31, 2024 and 2023. The intent of this discussion and analysis is to look at NOPEC's financial performance as a whole; readers should also review the basic financial statements and notes to enhance their understanding of NOPEC's financial performance.

Highlights

Key highlights for 2024 and 2023 are as follows:

- NOPEC is the largest public energy aggregation in Ohio with about 240 member communities. NOPEC is funded through management fees received from energy suppliers with which it has contracts. NOPEC does not receive any public funds in connection with its aggregation operations.
- The changes in NOPEC's pension and OPEB liabilities/assets are due to change in NOPEC's proportionate share of pension and OPEB liabilities/assets.
- Net position increased by \$4,568,883 or 8.1% for 2024 and increased \$5,080,474 or 9.9% for 2023. The increases in 2024 and 2023 are due mainly to continuing operations and higher interest rates.

Using the Basic Financial Statements

This annual report is presented in a format consistent with the presentation requirements of Governmental Accounting Standards Board Statement (GASB) No. 34, as adopted January 1, 2005.

Report Components

The Statement of Net Position and Statement of Activities provide information about the activities of NOPEC as a whole.

Fund financial statements provide a greater level of detail. Funds are created and maintained on the financial records of as a way to segregate money whose use is restricted to a particular specified purpose. These statements present financial information for NOPEC's only fund, the General Fund.

The notes to the financial statements are an integral part of the financial statements and provide expanded explanation and detail regarding the information reported in the statements.

Reporting NOPEC as a Whole

The Statement of Net Position and Statement of Activities reflect how NOPEC performed financially during 2024 and 2023. These statements include all *non-fiduciary assets and deferred outflows of resources and liabilities and deferred inflows of resources* using the *accrual basis of accounting* similar to the accounting method used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

NORTHEAST OHIO PUBLIC ENERGY COUNCIL CUYAHOGA COUNTY

Management's Discussion and Analysis *December 31, 2024 and 2023* *(UNAUDITED)*

These two statements report NOPEC's *net position* and *changes in net position*. These reports are one way to measure NOPEC's financial health. Over time, increases or decreases in net position is one indicator of whether NOPEC's financial health is improving or deteriorating. When evaluating financial condition, you should also consider other nonfinancial factors as well, such as the number of member communities.

In the Statement of Net Position and Statement of Activities, all activity of NOPEC is reported:

Governmental Activities - NOPEC is an Ohio regional council of governments that obtains electric and natural gas supply at bulk rates for individual utility customers in member communities. The respective energy suppliers pay to NOPEC management fees based on a number of factors, including the number of customers that it obtains through NOPEC's member communities. NOPEC pays its costs of operating the organization with the management fees received from the energy suppliers.

Reporting NOPEC's Most Significant Fund

A fund is a grouping of related accounts that is used to maintain control over resources that have been safeguarded for specific activities or objectives. Fund financial statements focus on the most significant funds. NOPEC has only governmental funds.

Governmental Funds – All of NOPEC's activities are reported in governmental funds. The governmental fund financial statements provide a detailed view of NOPEC's operations. This information helps determine whether there are more or less financial resources that can be spent to finance NOPEC's activities. NOPEC's only major governmental fund is the General Fund.

NOPEC as a Whole

Table 1 on the following page provides a summary of NOPEC's net position for 2024 and 2023 compared to 2022:

**NORTHEAST OHIO PUBLIC ENERGY COUNCIL
CUYAHOGA COUNTY**

*Management's Discussion and Analysis
December 31, 2024 and 2023
(UNAUDITED)*

Table 1 - Net Position

	As of December 31,		
	2024	2023 *	2022 *
Assets			
Cash and Cash Equivalents	\$53,025,041	\$51,827,064	\$48,713,727
Accounts, Interest and Note Receivable	8,747,897	4,977,090	3,698,094
Prepaid Expenses	247,274	232,532	185,318
Deposits	184,209	184,209	184,209
Capital Assets, Net	1,376,292	1,421,268	1,474,350
Net OPEB Asset	126,146	-	432,613
Total Assets	63,706,859	58,642,163	54,688,311
Deferred Outflow of Resources			
Pension	1,151,823	1,271,727	480,562
OPEB	144,012	303,911	96,207
Total Deferred Outflows of Resources	1,295,835	1,575,638	576,769
Liabilities			
Accounts Payable and Accrued Expenses	757,219	611,568	1,470,144
Unearned Revenue	30,921	-	8,618
Long-term Liabilities:			
Compensated Absences	164,229	139,712	120,722
Net Pension Liability	2,976,451	2,919,738	843,939
Net OPEB Liability	-	85,706	-
Total Liabilities	3,928,820	3,756,724	2,443,423
Deferred Inflow of Resources			
Pension	-	-	1,022,345
OPEB	72,180	28,266	446,975
Total Deferred Inflows of Resources	72,180	28,266	1,469,320
Net Position			
Investment in Capital Assets	1,376,292	1,421,268	1,474,350
Restricted for OPEB	126,146	-	-
Unrestricted	59,499,256	55,011,543	49,877,987
Total Net Position	\$61,001,694	\$56,432,811	\$51,352,337

* Restated

The net pension liability (NPL) and net OPEB asset are reported by NOPEC at December 31, 2024, and December 31, 2023, are reported pursuant to GASB Statement 68, "Accounting and Financial Reporting for Pension – an Amendment of GASB Statement 27" and GASB Statement 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions," which significantly revises accounting for costs and liabilities related to other postemployment benefits (OPEB). For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the NOPEC's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability and the net OPEB liability to the reported net position and subtracting deferred outflows related to pension and OPEB and net OPEB asset.

**NORTHEAST OHIO PUBLIC ENERGY COUNCIL
CUYAHOGA COUNTY**

*Management's Discussion and Analysis
December 31, 2024 and 2023
(UNAUDITED)*

Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. Prior accounting for pensions (GASB 27) and postemployment benefits (GASB 45) focused on a funding approach.

This approach limited pension and OPEB costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's net pension liability or net OPEB liability.

GASB 68 and GASB 75 take an earnings approach to pension and OPEB accounting; however, the nature of Ohio's statewide pension/OPEB plans and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

GASB 68 and GASB 75 require the net pension liability and the net OPEB liability/asset to equal the NOPEC's proportionate share of each plan's collective:

1. Present value of estimated future pension/OPEB benefits attributable to active and inactive employee's past service
2. Minus plan assets available to pay those benefits

GASB notes that pension and OPEB obligations, whether funded or unfunded, are part of the "employment exchange" – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension and other postemployment benefits. GASB noted that the unfunded portion of this promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, NOPEC is not responsible for certain key factors affecting the balance of these liabilities. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The Ohio Revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

The employee enters the employment exchange with the knowledge that the employer's promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the retirement system. In Ohio, there is no legal means to enforce the unfunded liability of the pension/OPEB plan as against the public employer. State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The retirement system is responsible for the administration of the pension and OPEB plans.

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability or the net OPEB liability. As explained above, changes in benefits, contribution rates, and return on investments affect the balance of these liabilities, but are outside the control of the local government.

**NORTHEAST OHIO PUBLIC ENERGY COUNCIL
CUYAHOGA COUNTY**

*Management's Discussion and Analysis
December 31, 2024 and 2023
(UNAUDITED)*

In the event that contributions, investment returns, and other changes are insufficient to keep up with required payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability and the net OPEB liability are satisfied, these liabilities are separately identified within the long-term liability section of the statement of net position. In accordance with GASB 68 and GASB 75, NOPEC's statements prepared on an accrual basis of accounting include an annual pension expense and an annual OPEB expense for their proportionate share of each plan's change in net pension liability and net OPEB liability/asset, respectively, not accounted for as deferred inflows/outflows.

There is no related debt to the Capital Assets. Capital Assets were \$1,376,292 and \$1,421,268 at December 31, 2024 and 2023, respectively. The Capital Assets are used to provide services to residential and small commercial consumers in member communities.

The changes in Net OPEB Asset, Net Pension and OPEB Liability, and the Deferred Inflows and Outflows of Resources are attributed to the recording of GASB Statements No. 68 and 75 as previously mentioned.

The decrease in Accounts Payable and Accrued Expenses is due to the timing of certain year end payables and pending disbursements from PACE loans that closed late in the year. NOPEC implemented GASB Statement No. 101 regarding compensated absences in 2024 and therefore had to restate the prior year's balances to include the compensated absences liability. See Note 11 for further information.

As mentioned previously, net position of governmental activities increased \$4,568,883 or 8.1% for 2024 and increased \$5,080,474 or 9.9% for 2023. The increase in 2024 and 2023 are due mainly to continuing operations. Table 2 reflects the changes in net position in 2024, 2023 and 2022:

Table 2 - Changes in Net Position

	For the Years Ended December 31		
	2024	2023	2022
Revenues			
Program Revenues:			
Charges for Services	\$14,178,747	\$20,138,485	\$17,312,896
General Revenues:			
Interest and other income	2,502,393	3,416,096	(1,173,737)
Total Revenues	16,681,140	23,554,581	16,139,159
Program Expenses:			
General Government	12,112,257	18,474,107	14,028,461
Total Program Expenses	12,112,257	18,474,107	14,028,461
Increase (Decrease) in Net Position	4,568,883	5,080,474	2,110,698
Net Position, January 1, Restated	56,432,811	51,352,337	49,241,639
Net Position, December 31	\$61,001,694	\$56,432,811	\$51,352,337

**NORTHEAST OHIO PUBLIC ENERGY COUNCIL
CUYAHOGA COUNTY**

*Management's Discussion and Analysis
December 31, 2024 and 2023
(UNAUDITED)*

The most significant portion of NOPEC's total revenues are charges for services - management fees. Management fees represent supplier agreements and acquisition costs related to entering new gas and electric contracts.

Charges for services increased decreased due to being an "off" year for the natural gas opt-in cycle in 2024, which is currently on a two-year cycle. There were also revenues in 2023 that did not exist in 2024 due to prior contractual agreements with our supplier.

Program expenses represent the program-related and administrative costs of NOPEC's activities and operations. These include a variety of programs as well as marketing to residential and small commercial customers and communications with member communities and potential member communities, legal fees, aggregation services and other supporting services.

Governmental Activities

NOPEC is an Ohio regional council of governments established under Chapter 167 of the Ohio Revised Code, comprised of about 240 Ohio political subdivision member communities. NOPEC is governed by representatives of each member community.

NOPEC's Funds

Total governmental funds had revenues of \$16,681,140 and expenditures of \$11,874,186 for the year ended December 31, 2024; and revenues of \$23,554,581 and expenditures of \$18,247,840 for the year ended December 31, 2023. The fund balance of the General Fund increased \$4,806,954 in 2024 and increased \$5,306,741 in 2023. The decrease in revenue was discussed above. The decrease in expenses was primarily due to a decrease in the grant to Nopec Inc. along with the recognition of various other operating efficiencies and reimbursements.

General Fund Budgeting Highlights

NOPEC is not bound by the budgetary laws prescribed by the Ohio Revised Code. However, NOPEC did maintain formal budgets for 2024 and 2023.

Capital Assets

At the end of fiscal year 2024, NOPEC had \$1,376,292 (net of accumulated depreciation) invested in land, office condominium buildings, and machinery and equipment. The following table shows fiscal 2024 balances compared to 2023 and 2022:

	Capital Assets at December 31 (net of depreciation) Governmental Activities		
	2024	2023	2022
Land	\$ 204,200	\$ 204,200	\$ 204,200
Building	1,132,424	1,158,469	1,184,514
Machinery and Equipment	39,668	58,599	85,636
	<u>\$ 1,376,292</u>	<u>\$ 1,421,268</u>	<u>\$ 1,474,350</u>

**NORTHEAST OHIO PUBLIC ENERGY COUNCIL
CUYAHOGA COUNTY**

*Management's Discussion and Analysis
December 31, 2024 and 2023
(UNAUDITED)*

Current Issues

NOPEC uses the size of its membership to negotiate favorable energy pricing, terms of service, and member benefits for its member communities and customers. There is considerable retail energy competition in the Ohio energy market in which NOPEC provides service.

Contacting NOPEC's Financial Management

This financial report is designed to provide our member communities, citizens, investors, and creditors with a general overview of NOPEC's finances and to reflect NOPEC's accountability for the funds it receives. Questions concerning any of the information in this report or requests for additional information should be directed to NOPEC, 31360 Solon Rd., Suite 33, Solon, Ohio 44139 Tel. 440-248-1992.

**NORTHEAST OHIO PUBLIC ENERGY COUNCIL
CUYAHOGA COUNTY**

*Statement of Net Position
December 31, 2024 and 2023*

	Governmental Activities <u>2024</u>	Governmental Activities <u>2023</u>
Assets		
Equity in Pooled Cash and Cash Equivalents	\$53,025,041	\$51,827,064
Accounts Receivable	2,243,908	2,197,827
Accrued Interest Receivable	202,567	178,161
Prepaid Expenses	247,274	232,532
Note Receivable - PACE	6,301,422	2,601,102
Deposits	184,209	184,209
Net OPEB Asset	126,146	-
Capital Assets, Net	1,376,292	1,421,268
Total Assets	<u>63,706,859</u>	<u>58,642,163</u>
Deferred Outflow of Resources		
Pension	1,151,823	1,271,727
OPEB	144,012	303,911
Total Deferred Outflow of Resources	<u>1,295,835</u>	<u>1,575,638</u>
Liabilities		
Accounts Payable and Accrued Expenses	757,219	611,568
Unearned Revenue	30,921	-
Long-term Liabilities:		
Compensated Absences due within one year	115,289	77,865
Compensated Absences due in more than one year	48,940	61,847
Net Pension Liability	2,976,451	2,919,738
Net OPEB Liability	-	85,706
Total Liabilities	<u>3,928,820</u>	<u>3,756,724</u>
Deferred Inflow of Resources		
OPEB	72,180	28,266
Total Deferred Inflow of Resources	<u>72,180</u>	<u>28,266</u>
Net Position		
Investment in Capital Assets	1,376,292	1,421,268
Restricted for OPEB	126,146	-
Unrestricted	59,499,256	55,011,543
Total Net Position	<u>\$61,001,694</u>	<u>\$56,432,811</u>

See accompanying notes to the basic financial statements.

**NORTHEAST OHIO PUBLIC ENERGY COUNCIL
CUYAHOGA COUNTY**

*Statement of Activities
For the Year Ended December 31, 2024*

	<u>Expenses</u>	<u>Program Revenues Charges for Services</u>	<u>Net Revenue and Changes in Net Position Governmental Activities</u>
Governmental Activities			
General Government	\$12,112,257	\$14,178,747	\$2,066,490
<i>Total Government Activities</i>	<u>\$12,112,257</u>	<u>\$14,178,747</u>	<u>2,066,490</u>
 General Revenues			
Interest and other income			<u>2,502,393</u>
<i>Total General Revenues</i>			<u>2,502,393</u>
Change in Net Position			4,568,883
<i>Net Position - Beginning of Year, Restated</i>			<u>56,432,811</u>
Net Position - End of Year			<u><u>\$61,001,694</u></u>

See accompanying notes to the basic financial statements.

**NORTHEAST OHIO PUBLIC ENERGY COUNCIL
CUYAHOGA COUNTY**

*Statement of Activities
For the Year Ended December 31, 2023*

	<u>Expenses</u>	<u>Program Revenues Charges for Services</u>	<u>Net Revenue and Changes in Net Position Governmental Activities</u>
Governmental Activities			
General Government	\$18,474,107	\$20,138,485	\$1,664,378
<i>Total Government Activities</i>	<u>\$18,474,107</u>	<u>\$20,138,485</u>	<u>1,664,378</u>
 General Revenues			
Interest and other income			<u>3,416,096</u>
<i>Total General Revenues</i>			<u>3,416,096</u>
Change in Net Position			5,080,474
<i>Net Position - Beginning of Year, restated</i>			<u>51,352,337</u>
<i>Net Position - End of Year</i>			<u><u>\$56,432,811</u></u>

See accompanying notes to the basic financial statements.

NORTHEAST OHIO PUBLIC ENERGY COUNCIL
CUYAHOGA COUNTY
Balance Sheet
General Fund
December 31, 2024 and 2023

	2024	2023
Assets:		
Equity in Pooled Cash and Cash Equivalents	\$53,025,041	\$51,827,064
Accounts Receivable	2,243,908	2,197,827
Accrued Interest Receivable	202,567	178,161
Prepaid Expenses	247,274	232,532
Note Receivable - PACE	6,301,422	2,601,102
Deposits	184,209	184,209
Total Assets	<u>\$62,204,421</u>	<u>\$57,220,895</u>
 LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts Payable and Accrued Expenses	\$757,219	\$611,568
Unearned Revenue	30,921	-
Total Liabilities	<u>788,140</u>	<u>611,568</u>
 Fund Balances:		
Nonspendable	6,732,905	3,017,843
Unassigned	54,683,376	53,591,484
Total Fund Balances	<u>61,416,281</u>	<u>56,609,327</u>
Total Liabilities and Fund Balances	<u>\$62,204,421</u>	<u>\$57,220,895</u>

See accompanying notes to the basic financial statements.

**NORTHEAST OHIO PUBLIC ENERGY COUNCIL
CUYAHOGA COUNTY**
*Reconciliation of Total Governmental Fund Balances to
Net Position of Governmental Activities
December 31, 2024 and 2023*

	<u>2024</u>	<u>2023</u>
Total Governmental Fund Balances	\$61,416,281	\$56,609,327
<i>Amounts reported for Governmental Activities in the Statement of Net Position are different because:</i>		
The net pension liability and net OPEB liability are not due and payable in the current period, and the net pension and OPEB asset are not available for spending in the current period; therefore the asset, liability and related deferred inflows/outflows are not reported in governmental funds:		
Deferred Outflow of Resources - Pension	1,151,823	1,271,727
Deferred Outflow of Resources - OPEB	144,012	303,911
Deferred Inflow of Resources - OPEB	(72,180)	(28,266)
Net Pension Liability	(2,976,451)	(2,919,738)
Net OPEB Liability	-	(85,706)
Net OPEB Asset	126,146	-
Capital Assets used in Governmental Activities are not financial resources and, therefore, are not reported in the funds:	1,376,292	1,421,268
Compensated Absences are not due and payable in the current period and therefore are not reported in the funds:	<u>(164,229)</u>	<u>(139,712)</u>
Net Position of Governmental Activities	<u><u>\$61,001,694</u></u>	<u><u>\$56,432,811</u></u>

See accompanying notes to the basic financial statements

**NORTHEAST OHIO PUBLIC ENERGY COUNCIL
CUYAHOGA COUNTY**

*Statement of Revenues, Expenditures, and
Changes in Fund Balances – General Fund
For the Years Ended December 31, 2024 and 2023*

	2024	2023
Revenues:		
Management Fees	\$14,178,747	\$20,138,485
Interest	2,482,391	2,504,984
Miscellaneous	20,002	911,112
Total Revenues	<u>16,681,140</u>	<u>23,554,581</u>
Expenses:		
Current:		
Commercial Programs	57,088	46,000
Communication and Consulting Services	563,896	473,748
Community Sponsorships	293,500	290,625
Legal Fees	179,195	878,234
Information Tech and Support	128,455	80,524
Professional/Audit/Investment Fees	103,148	67,441
Federal Programs	51,947	25,436
Support for CRES	5,054,500	11,297,055
Marketing and Support Services	1,686,234	1,849,594
Sales Support	44,849	74,971
Office and Other General Administrative	306,019	308,869
Salaries and Benefits	3,127,798	2,705,633
Meetings/Travel	277,557	149,710
Total Expenditures	<u>11,874,186</u>	<u>18,247,840</u>
Excess of Revenues		
Over/(Under) Expenses	4,806,954	5,306,741
Fund Balance, Beginning of Year	<u>56,609,327</u>	<u>51,302,586</u>
Fund Balance, End of Year	<u><u>\$61,416,281</u></u>	<u><u>\$56,609,327</u></u>

See accompanying notes to the basic financial statements.

**NORTHEAST OHIO PUBLIC ENERGY COUNCIL
CUYAHOGA COUNTY**

*Reconciliation of the Statement of Revenues, Expenditures, and Changes
In Fund Balances of Governmental Funds to the Statement of Activities
For the Years Ended December 31, 2024 and 2023*

	2024	2023
Net Change in Fund Balances - Total Governmental Funds	\$4,806,954	\$5,306,741
<i>Amounts reported for Governmental Activities in the Statement of Activities are different because:</i>		
Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.		
Pension	322,948	261,995
OPEB	24,901	23,843
Except for amounts reported as deferred inflows/outflows, changes in the net pension/OPEB liability are reported as pension/OPEB expense in the statement of activities.		
Pension	(499,565)	(524,284)
OPEB	(16,862)	84,251
Government funds report capital outlays as expenditures. However, in the Statement of Activities, the costs of those assets are allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the respective period.		
Depreciation	(44,976)	(53,082)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in the Governmental Funds.		
Compensated Absences	(24,517)	(18,990)
Change in Net Position of Governmental Activities	<u>\$4,568,883</u>	<u>\$5,080,474</u>

See accompanying notes to the basic financial statements.

**NORTHEAST OHIO PUBLIC ENERGY COUNCIL
CUYAHOGA COUNTY**

Notes to the Financial Statements
For the Years Ended December 31, 2024 and 2023

NOTE 1 DESCRIPTION OF THE ENTITY

The Northeast Ohio Public Energy Council, (NOPEC) is a regional council of governments established under Chapter 167 of the Ohio Revised Code. It consists of about 240 member communities (including municipal corporations, townships, counties, and regional council of governments, all of which are political subdivisions of the State of Ohio) from nineteen Ohio counties. NOPEC is governed by a General Assembly, made up of one representative from each member community. The representatives from each county elect one person to serve on the nineteen-member NOPEC Board of Directors. NOPEC, established under Ohio Revised Code Chapter 167, in 2000, was formed to serve as a vehicle for communities to proceed jointly with aggregation programs for the purchase of electricity and natural gas. NOPEC seeks to provide electricity and natural gas at the lowest possible rates while also ensuring stability in prices by pursuing long-term contracts with suppliers.

Reporting Entity: In evaluating how to define the governmental reporting entity, NOPEC complies with the provisions of GASB Statement No. 61, *The Financial Reporting Entity: Omnibus – an Amendment of GASB Statements No. 14 and No. 34*, under which the financial statements include all the organizations, activities, functions, and component units for which NOPEC (primary government) is financially accountable. Financial accountability is defined as the appointment of a voting majority of the component unit's board, and either 1) NOPEC's ability to impose its will over the component unit, or 2) the possibility that the component unit will provide a financial benefit to or impose a financial burden on NOPEC.

On this basis, NOPEC's financial reporting entity has no component units as part of NOPEC's primary government in the determination of NOPEC's reporting entity.

NOPEC's management believes these financial statements present all activities for which NOPEC is financially accountable.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of NOPEC have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of NOPEC's accounting policies are described below:

A. Basis of Presentation

NOPEC's basic financial statements consist of government-wide statements, which include a Statement of Net Position and a Statement of Activities, and fund financial statements, which provide a more detailed level of financial information.

Government-wide Financial Statements. The Statement of Net Position and the Statement of Activities display information about NOPEC as a whole. These statements include all the financial activities of NOPEC.

The Statement of Net Position presents the financial condition of the governmental activities of NOPEC at December 31, 2024 and 2023. The Statement of Activities presents a comparison between direct expenses and program revenues for each program or function of NOPEC's governmental activities. Program revenues include monies provided by the recipient of the services offered by the program. Revenues which are not classified as program revenues are presented as general revenues, with certain limited exceptions.

**NORTHEAST OHIO PUBLIC ENERGY COUNCIL
CUYAHOGA COUNTY**

Notes to the Financial Statements
For the Years Ended December 31, 2024 and 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The comparison of direct expenses with program revenues identifies the extent to which the governmental programs are self-financing or draw from the general revenues of NOPEC.

Fund Financial Statements. NOPEC segregates transactions related to certain functions or activities in separate funds to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of NOPEC at this more detailed level. The focus of governmental fund financial statements is on major funds. The major fund is presented in a separate column.

B. Fund Accounting

NOPEC uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. There are three categories of funds: governmental, proprietary and fiduciary.

Governmental Funds

Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following is NOPEC's only governmental fund:

General Fund - The general fund accounts for all financial resources.

C. Measurement Focus and Basis of Accounting

Government-wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of NOPEC are included on the Statement of Net Position.

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

**NORTHEAST OHIO PUBLIC ENERGY COUNCIL
CUYAHOGA COUNTY**

Notes to the Financial Statements
For the Years Ended December 31, 2024 and 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred inflows of resources and in the presentation of expenses versus expenditures.

Revenues - Exchange and Non-exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenues are recognized when both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. NOPEC generally considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end.

Expense/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period which the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures only when payment is due. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt are reported as other financing sources. Allocation of costs, such as depreciation and amortization, are not recognized in governmental funds.

D. Budgetary Process

NOPEC is not bound by the budgetary laws prescribed by the Ohio Revised Code. NOPEC does pass an annual budget preceding the fiscal year.

E. Cash and Investments

NOPEC invests in a variety of federal government securities through a separate investment account managed by several investment firms. Investments in these securities are valued at historical cost, plus interest posted, which is the amount the investments could be sold for on December 31, 2024 and 2023.

**NORTHEAST OHIO PUBLIC ENERGY COUNCIL
CUYAHOGA COUNTY**

Notes to the Financial Statements
For the Years Ended December 31, 2024 and 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Use of Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

G. Capital Assets

Capital assets result from expenditures in the governmental fund. These assets are reported in the governmental activities' column of the government-wide Statement of Net Position but are not reported in the fund financial statements. Capital assets are capitalized at cost using a threshold of \$10,000 and updated for additions and retirements during the year. Capital assets are depreciated using the straight-line method over 50 years for buildings and 5 years for equipment.

Cost for maintenance and repairs are expensed when incurred. However, costs for repairs and upgrading that materially add to the value of an asset and meet the above criteria are capitalized.

H. Accounts Payable, Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. Long-term obligations are recognized as a liability on the fund financial statements when due. Net pension/OPEB liability should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/OPEB plan's fiduciary net position is not sufficient for payment of those benefits.

I. Net Position

Net Position is the residual amount when comparing assets and deferred outflows of resources to liabilities and deferred inflows of resources. The net investment in capital assets component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on its use either through constitutional provisions or enabling legislation adopted by NOPEC or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

**NORTHEAST OHIO PUBLIC ENERGY COUNCIL
CUYAHOGA COUNTY**

Notes to the Financial Statements
For the Years Ended December 31, 2024 and 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Compensated Absences

NOPEC recognizes a liability for compensated absences for leave that (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled during or upon separation from employment. The liability is incurred in the government-wide financial statements. A liability for compensated absences is recorded in the governmental funds only if the liability has matured because of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable.

Vacation - Normally, all vacation time is to be taken in the year available unless approval for carryover is obtained. NOPEC's policy permits employees to accumulate earned but unused benefits, which are eligible for payments at the employee's current pay rate upon separation from employment.

Sick – NOPEC's policy permits employees to accumulate earned but unused sick leave. All sick leave lapses when employees leave the employ of NOPEC and, upon separation from service, no monetary obligation exists. The amount is based on accumulated sick leave and employees' wage rates at year end, taking into consideration any limits specified in NOPEC's termination policy. NOPEC adopted the last-in first-out (LIFO) method for sick time used.

K. Fund Balances

Fund balance is divided into five classifications based primarily on the extent to which NOPEC is bound to observe constraints imposed upon the use of the resources in the governmental fund. The classifications are as follows:

Nonspendable – The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash.

Restricted – Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or is imposed by law through constitutional provisions.

Committed – The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (resolution) of the NOPEC Board of Directors. Those committed amounts cannot be used for any other purpose unless the NOPEC Board of Directors removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned – Amounts in the assigned fund balance classification are intended to be used by NOPEC for specific purposes but do not meet the criteria to be classified as restricted or committed.

**NORTHEAST OHIO PUBLIC ENERGY COUNCIL
CUYAHOGA COUNTY**

Notes to the Financial Statements
For the Years Ended December 31, 2024 and 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Unassigned – Unassigned fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications.

NOPEC applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used. NOPEC does not have any restricted, committed or assigned fund balances at December 31, 2024 and December 31, 2023.

L. Pensions

For purposes of measuring the net pension/OPEB liability, net pension asset, deferred outflows of resources and deferred inflow of resources related to pensions/OPEB, and pension/OPEB expense, information about the fiduciary net position of the pension/OPEB plans and additions to/deductions from their fiduciary net position have been determined on the same basis as they are reported by the pension/OPEB plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension/OPEB plans report investments at fair value.

M. Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position reports a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For NOPEC, deferred outflows of resources are reported on the statement of net position for pension and OPEB. The deferred outflows of resources related to pension and OPEB plans are explained in Notes 6 and 7.

In addition to liabilities, the Statements of Net Position reports a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For NOPEC, deferred inflows of resources are reported on the Statement of Net Position related to pension and OPEB. The deferred inflows of resources related to pension and OPEB plans are explained in Notes 6 and 7.

NOTE 3 REVENUES AND UNEARNED REVENUES

NOPEC is funded through administrative fees received from energy suppliers with which it contracts to provide aggregated electricity and natural gas services to its members. NOPEC does not receive any public funds in connection with its aggregation operations.

For 2024 and 2023, NOPEC's administrative fees were based on the number and the respective utility consumption by its customers. Accounts receivable consist of billed but unpaid administrative fees.

**NORTHEAST OHIO PUBLIC ENERGY COUNCIL
CUYAHOGA COUNTY**

Notes to the Financial Statements
For the Years Ended December 31, 2024 and 2023

NOTE 4 EQUITY IN POOLED CASH AND INVESTMENTS AND CREDIT RISK

State statutes classify monies held by the NOPEC into three categories:

Active deposits are public deposits necessary to meet current demands on the treasury. Such monies must be maintained either as cash in the NOPEC treasury, in commercial accounts or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are public deposits that the Board has identified as not required for use within the current five-year period of designation of depositories. Inactive deposits must be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim monies may be deposited or invested in the following:

1. Bills, bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal or interest by the United States.
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities.
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days.
4. Bonds and other obligations of the State of Ohio.
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions.
6. The State Treasury Asset Reserve of Ohio investment pool (STAR Ohio).
7. High grade commercial paper for a period not to exceed 180 days in an amount not to exceed twenty-five percent of the NOPEC's interim monies available for investment; and
8. Bankers acceptances for a period not to exceed 180 days and in an amount not to exceed twenty-five percent of the NOPEC's interim monies available for investment.

**NORTHEAST OHIO PUBLIC ENERGY COUNCIL
CUYAHOGA COUNTY**

Notes to the Financial Statements
For the Years Ended December 31, 2024 and 2023

NOTE 4 EQUITY IN POOLED CASH INVESTMENTS AND CREDIT RISK (Continued)

NOPEC may also invest any monies not required to be used for a period of six months or more in the following:

1. Bonds of the State of Ohio.
2. Bonds of any municipal corporation, village, county, township, or other political subdivision of this State, as to which there is no default of principal, interest or coupons.
3. Obligations of NOPEC.

Protection of NOPEC's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the finance director by the financial institution or by a single collateral pool established by the financial institution to secure the repayment of all public moneys deposited with the institution.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of NOPEC and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions.

Deposits

The carrying amount of NOPEC's deposits totaled \$16,913,926 and \$17,102,359 and the bank balances totaled \$16,913,926 and \$17,103,264, as of December 31, 2024 and 2023, respectively. At December 31, 2024 and 2023, \$250,000 and \$250,000 of NOPEC's bank balances, respectively were insured by FDIC and \$16,663,926 and \$16,853,264, respectively, were uninsured and collateralized by a bank's pooled securities account. As such, securities were held by the pledging financial institutions' trust departments in NOPEC's name and all state statutory requirements for the investment of money had been followed. Noncompliance with federal requirements could potentially subject NOPEC to a successful claim by the Federal Deposit Insurance Corporation.

Custodial credit risk is the risk that, in the event of bank failure, NOPEC will not be able to recover deposits or collateral securities that are in the possession of an outside party. NOPEC has no deposit policy for custodial credit risk beyond the requirements of State statute. Ohio law requires that deposits be either insured or be protected by:

1. Eligible securities pledged to and deposited either with NOPEC or a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least one hundred five percent of the deposits being secured; or
2. Participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State. NOPEC's financial institution had enrolled in OPCS as of December 31, 2024.

**NORTHEAST OHIO PUBLIC ENERGY COUNCIL
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NOTE 4 EQUITY IN POOLED CASH INVESTMENTS AND CREDIT RISK (Continued)

Investments

As of December 31, 2024, and 2023, NOPEC had the following investments and maturities:

Investment Type	Credit Rating (Moody's)	Level of Input	12/31/2024 Measurement Value	Investment Maturity (in years)		
				<1	1-3	3-5
Money Market Funds	Aaa-mf	N/A	\$ 141,688	\$ 141,688	\$ -	\$ -
Certificate of Deposits	N/A	2	3,260,125	-	752,571	2,507,554
Commercial Paper	Aaa	2	1,598,197	1,598,197	-	-
U.S. Government Agency Obligations	Aaa	2	17,830,786	6,128,776	4,638,402	7,063,608
U.S. Treasury Bond	Aaa	2	1,441,357	-	1,441,357	-
U.S. Treasury Notes	Aaa	2	10,125,588	742,031	5,288,323	4,095,234
Municipal Bond	Aaa	2	1,713,374	1,253,392	459,982	-
Total Investments			<u>\$ 36,111,115</u>	<u>\$ 9,864,084</u>	<u>\$ 12,580,635</u>	<u>\$ 13,666,396</u>

Investment Type	Credit Rating (Moody's)	Level of Input	12/31/2023 Measurement Value	Investment Maturity (in years)		
				<1	1-3	3-5
Money Market Funds	Aaa-mf	N/A	\$ 14,829	\$ 14,829	\$ -	\$ -
Certificate of Deposits	N/A	2	3,454,138	1,967,819	226,863	1,259,456
Commercial Paper	Aaa	2	195,408	195,408	-	-
U.S. Government Agency Obligations	Aaa	2	19,788,701	5,114,780	8,390,547	6,283,374
U.S. Treasury Bond	Aaa	2	339,542	-	339,542	-
U.S. Treasury Notes	Aaa	2	9,104,195	-	3,834,797	5,269,398
Municipal Bond	Aaa	2	1,827,892	262,069	1,565,823	-
Total Investments			<u>\$ 34,724,705</u>	<u>\$ 7,554,905</u>	<u>\$ 14,357,572</u>	<u>\$ 12,812,228</u>

NOPEC's investment in money market funds are measured at net asset value per share, while all other investments are measured at fair value. Fair value is determined by quoted market prices and acceptable other pricing methodologies. NOPEC categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 inputs are significant unobservable inputs. The previous tables identify NOPEC's fair value measurements as of December 31, 2023, and 2021. NOPEC's remaining investments measured at fair value are valued using methodologies that incorporate market inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers and reference data including market research publications. Market indicators and industry and economic events are also monitored, which could require the need to acquire further market data (Level 2 inputs).

Interest Rate Risk: The Ohio Revised Code generally limits security purchases to those that mature within five years of the settlement date. Interest rate risk arises because potential purchasers of debt securities will not agree to pay face value for those securities if interest rates subsequently increase.

Custodial Credit Risk: For an investment, custodial risk is the risk that, in the event of the failure of the counterparty, NOPEC will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. NOPEC has no investment policy dealing with investment custodial risk beyond the requirement in Ohio law that prohibits payments for investments prior to the delivery of the securities representing such investments to the finance director or qualified trustee.

Credit Risk: NOPEC's investment credit ratings are summarized above. NOPEC's investments in certificates of deposit were fully insured by federal deposit insurance.

**NORTHEAST OHIO PUBLIC ENERGY COUNCIL
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NOTE 5 CAPITAL ASSETS

Capital asset activity for the years ended December 31, 2024 and 2023 was as follows:

	Balance 1/1/2024	Additions	Disposals	Balance 12/31/2024
<u>Governmental Activities</u>				
<i>Capital Assets, Not being Depreciated:</i>				
Land	\$ 204,200	\$ -	\$ -	\$ 204,200
Total Capital Assets, Not being Depreciated	204,200	-	-	204,200
<i>Capital Assets, being Depreciated:</i>				
Buildings	1,302,256	-	-	1,302,256
Machinery and Equipment	362,627	-	-	362,627
Total Capital Assets Being Depreciated	1,664,883	-	-	1,664,883
Less Accumulated Depreciation:				
Buildings	(143,787)	(26,045)	-	(169,832)
Machinery and Equipment	(304,028)	(18,931)	-	(322,959)
Total Accumulated Depreciation	(447,815)	(44,976)	-	(492,791)
<i>Total Capital Assets, being Depreciated, Net</i>	1,217,068	(44,976)	-	1,172,092
Governmental Activities Capital Assets, Net	\$ 1,421,268	\$ (44,976)	\$ -	\$ 1,376,292
	Balance 1/1/2023	Additions	Disposals	Balance 12/31/2023
<u>Governmental Activities</u>				
<i>Capital Assets, Not being Depreciated:</i>				
Land	\$ 204,200	\$ -	\$ -	\$ 204,200
Total Capital Assets, Not being Depreciated	204,200	-	-	204,200
<i>Capital Assets, being Depreciated:</i>				
Buildings	1,302,256	-	-	1,302,256
Machinery and Equipment	362,627	-	-	362,627
Total Capital Assets Being Depreciated	1,664,883	-	-	1,664,883
Less Accumulated Depreciation:				
Buildings	(117,742)	(26,045)	-	(143,787)
Machinery and Equipment	(276,991)	(27,037)	-	(304,028)
Total Accumulated Depreciation	(394,733)	(53,082)	-	(447,815)
<i>Total Capital Assets, being Depreciated, Net</i>	1,270,150	(53,082)	-	1,217,068
Governmental Activities Capital Assets, Net	\$ 1,474,350	\$ (53,082)	\$ -	\$ 1,421,268

Depreciation expense was fully allocated to the General Government function of the organization.

**NORTHEAST OHIO PUBLIC ENERGY COUNCIL
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NOTE 6 DEFINED BENEFIT PENSION PLANS

Net Pension Liability - OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM

The net pension liability reported on the statement of net position represents a liability to employees for pensions. Pensions are a component of exchange transactions – between and employer and its employees of salaries and benefits for employee services. Pensions are provided to an employee on a deferred-payment basis as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for pensions is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net pension liability represents NOPEC's proportionate share of the Traditional plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension plan's fiduciary net position. The net pension liability/asset calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknown future events require adjusting this estimate annually.

Ohio Revised Code limits NOPEC's obligation for this liability to annually required payments. NOPEC cannot control benefit terms or the manner in which pensions are financed; however, NOPEC does receive the benefit of employees' services in exchange for compensation including pension.

GASB 68 assumes the liability is solely the obligation of the employer, because 1) they benefit from employee services; and 2) State statute requires all funding to come from these employers. All contributions to date have come solely from these employers (which includes costs paid in the form of withholdings from employees). State statute requires the pension plans to amortize unfunded liabilities within 30 years. If the amortization period exceeds 30 years, each pension plan's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension liability. Resulting adjustments to the net pension liability would be effective when the changes are legally enforceable.

The proportionate share of the Traditional plan's unfunded benefits is presented as a long-term *net pension liability*. Any liability for the contractually required pension contribution outstanding at the end of the year is included in *accounts payable and accrued expenses*.

Plan Description

NOPEC employees participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a cost-sharing, multiple-employer defined benefit pension plan with defined contribution features. Effective January 1, 2022, the Combined Plan is no longer available for member selection. In October 2023, the legislature approved House Bill (HB) 33, which allows for the consideration of the Combined Plan with the Traditional Pension Plan with the timing of the consolidation at the discretion of OPERS. Participating employers are divided into state, local, law enforcement and public safety divisions. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the Traditional Pension Plan.

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NOTE 6 DEFINED BENEFIT PENSION PLANS (Continued)

OPERS provides retirement, disability, survivor and death benefits and annual cost of living adjustments to members of the traditional plan. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about OPERS's fiduciary net position that may be obtained by visiting <https://www.opers.org/financial/reports.shtml>, by writing to Ohio Public Employees Retirement System, 277 E. Town St., Columbus, OH 43215-4642 or by calling (800) 222-7377.

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members were categorized into three groups with varying provisions of the law applicable to each group. The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the traditional plan as per the reduced benefits adopted by SB 343 (see OPERS ACFR referenced above for additional information including requirements for reduced and unreduced benefits):

Group A Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	Group B 20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	Group C Members not in other Groups and members hired on or after January 7, 2013
State and Local	State and Local	State and Local
Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 62 with 60 months of service credit or Age 57 with 25 years of service credit
Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Formula: 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35

Final Average Salary (FAS) represents the average of the three highest years of earnings over a member's career for Groups A and B. Group C is based on the average of the five highest years of earnings over a member's career.

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount. The base amount of a member's pension benefit is locked in upon receipt of the initial benefit payment for calculation of the annual cost-of-living adjustment.

When a traditional plan benefit recipient has received benefits for 12 months, an annual cost of living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those retiring prior to January 7, 2013, the COLA will continue to be a 3 percent simple annual COLA. For those retiring after January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

A death benefit of \$500 - \$2,500, determined by the number of years of service credit of the retiree, is paid to the beneficiary of a deceased retiree or disability benefit recipient under the Tradition pension plan and the Combined Plan.

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Notes to the Financial Statements
For the Years Ended December 31, 2024 and 2023

NOTE 6 DEFINED BENEFIT PENSION PLANS (Continued)

Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. Member-directed plan and combined plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the combined plan consists of the members' contributions plus or minus the investment gains or losses resulting from the members' investment selections. Combined plan members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans. Member-directed participants must have attained the age of 55, have money on deposit in the defined contribution plan and have terminated public service to apply for retirement benefits. The amount available for defined contribution benefits in the member-directed plan consists of the members' contributions, vested employer contributions and investment gains or losses resulting from the members' investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20 percent each year. At retirement, members may select one of several distribution options for payment of the vested balance in their individual OPERS accounts. Options include the purchase of a monthly defined benefit annuity from OPERS (which includes joint and survivor options), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of entire account balance, net of taxes withheld, or a combination of these options.

Funding Policy – The Ohio Revised Code (ORC) provides statutory authority for member and employer contributions as follows:

	<u>State and Local</u>
2023-2024 Statutory Maximum Contribution Rates	
Employer	14.0 %
Employee *	10.0 %
2023-2024 Actual Contribution Rates	
Employer:	
Pension	14.0 %
Post-Employment Health Care Benefits	<u>0.0</u>
Total Employer	<u>14.0 %</u>
Employee	<u>10.0 %</u>

* Member contributions within combined plan are not used to fund the defined benefit retirement allowance

**NORTHEAST OHIO PUBLIC ENERGY COUNCIL
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Notes to the Financial Statements
For the Years Ended December 31, 2024 and 2023

NOTE 6 DEFINED BENEFIT PENSION PLANS (Continued)

The portion of employer contributions used to fund pension benefits is net of postemployment health care benefits. The portion of the employer's contribution allocated to health care was 0% for 2024 for the Traditional plan. The portion of the employer's contribution allocated to health care was 2% for the Combined plan and 4% for the Member-Directed plan for 2024. Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. NOPEC's contractually required contributions was \$322,948 for fiscal year ending December 31, 2024, and \$261,995 for fiscal year ending December 31, 2023.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The net pension liability for OPERS was measured as of December 31, 2023, and December 31, 2022, and the total pension liability used to calculate the net pension liability was determined by and actuarial valuation as of those dates. NOPEC's proportion of the net pension liability was based on NOPEC's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	2024	2023
Proportion of the Net Pension Liability		
Prior Measurement Date	0.009884%	0.009700%
Proportion of the Net Pension Liability		
Current Measurement Date	0.011369%	0.009884%
Change in Proportionate Share	<u>0.001485%</u>	<u>0.000184%</u>
Proportionate Share of the Net Pension Liability	\$2,976,451	\$2,919,738
Pension Expense	\$499,565	\$524,284

At December 31, 2024, and December 31, 2023, NOPEC reported deferred outflows of resources and deferred inflow of resources related to pensions from the following sources:

	2024	2023
Deferred Outflows of Resources		
Net difference between projected and actual earnings on pension plan investments	\$ 600,774	\$ 832,216
Differences between expected and actual experience	48,647	96,982
Changes of assumptions	0	30,844
Changes in proportion and differences between NOPEC contributions and proportionate share of contributions	179,454	49,690
NOPEC contributions subsequent to the measurement date	<u>322,948</u>	<u>261,995</u>
Total Deferred Outflows of Resources	<u>\$ 1,151,823</u>	<u>\$ 1,271,727</u>
Deferred Inflows of Resources		
Net difference between projected and actual earnings on pension plan investments	\$0	\$0
Differences between expected and actual experience	<u>0</u>	<u>0</u>
Total Deferred Inflows of Resources	<u>\$0</u>	<u>\$0</u>

**NORTHEAST OHIO PUBLIC ENERGY COUNCIL
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Notes to the Financial Statements
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NOTE 6 DEFINED BENEFIT PENSION PLANS (Continued)

\$322,948 reported deferred outflows of resources related to pension resulting from NOPEC contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending December 31:	
2025	\$277,007
2026	254,037
2027	383,379
2028	(85,548)
Total	<u>\$828,875</u>

Actuarial Assumptions – OPERS

Actuarial valuations of an ongoing plan involve estimates of the values of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and cost trends. Actuarially determined amounts are subject to continual review or modification as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability in the December 31, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all prior periods included in the measurement in accordance with the requirements of GASB 67. Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, are presented below:

	<u>Traditional Pension Plan</u>
Wage Inflation	
Current Measurement Date:	2.75 percent
Prior Measurement Date:	2.75 percent
Future Salary Increases, including inflation	
Current Measurement Date:	2.75 to 10.75 percent including wage inflation
Prior Measurement Date:	2.75 to 10.75 percent including wage inflation
COLA or Ad Hoc COLA	
Pre 1/7/2013 retirees:	3 percent, simple
Post 1/7/2013 retirees:	
Current Measurement Date:	2.3 percent simple through 2024, then 2.05 percent simple
Prior Measurement Date:	3 percent, simple through 2023, then 2.05 percent simple
Investment Rate of Return	
Current Measurement Date:	6.9 percent
Prior Measurement Date:	6.9 percent
Actuarial Cost Method	Individual Entry Age

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NOTE 6 DEFINED BENEFIT PENSION PLANS (Continued)

Pre-retirement mortality rates are based on 130% of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170% of the Pub-2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement divisions. Post-retirement mortality rates are based on 115% of the PubG-2010 Retiree Mortality Tables (males and females) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all of the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all of these tables.

The most recent experience study was completed for the five-year period ended December 31, 2020.

OPERS manages investments in three investment portfolios: the Defined Benefits portfolio, the Health Care portfolio, and the Defined Contribution portfolio. The Defined Benefit portfolio includes the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan, the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money weighted rate of return expressing investment performance, net of investments expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was a gain of 11.2 percent for 2023 and a loss of 12.1 percent for 2022.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The long-term expected rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of the geometric real rates of return were provided by the Board's investment consultant. For each major asset class that is included in the Defined Benefit portfolio's target asset allocation as of December 31, 2023, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed Income	24.00 %	2.85 %
Domestic Equities	21.00	4.27
Real Estate	13.00	44.46
Private Equity	15.00	7.52
International Equities	20.00	5.16
Risk Parity	2.00	4.38
Other investments	5.00	3.46
Total	<u>100.00 %</u>	

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Notes to the Financial Statements
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NOTE 6 DEFINED BENEFIT PENSION PLANS (Continued)

Discount Rate: The discount rate used to measure the total pension liability was 6.9 percent for 2023 and 2022, post-experience study results. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of NOPEC's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate: The following table presents NOPEC's proportionate share of the net pension liability calculated using the current period discount rate assumption, as well as what NOPEC's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower or one-percentage-point higher than the current rate:

	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
NOPEC's proportionate share of the net pension liability	\$4,685,733	\$2,976,451	\$1,554,824

NOTE 7 DEFINED BENEFIT OPEB PLANS

Net OPEB Asset – Ohio Public Employees Retirement System

The net OPEB liability/asset reported on the statement of net position represents a liability/asset to employees for OPEB. OPEB is a component of exchange transactions - between an employer and its employee - of salaries and benefits for employee services. OPEB are provided to an employee - on a deferred-payment basis - as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for OPEB is a present obligation because it was created because of employment exchanges that already have occurred.

The net OPEB liability/asset represents NOPEC's proportionate share of each OPEB plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each OPEB plan's fiduciary net position. The net OPEB liability calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting these estimates annually.

Ohio Revised Code limits NOPEC's obligation for this liability to annually required payments. NOPEC cannot control benefit terms or the manner in which OPEB are financed; however, NOPEC does receive the benefit of employees' services in exchange for compensation including OPEB.

**NORTHEAST OHIO PUBLIC ENERGY COUNCIL
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Notes to the Financial Statements
For the Years Ended December 31, 2024 and 2023

NOTE 7 DEFINED BENEFIT OPEB PLANS (Continued)

GASB 75 assumes the liability is solely the obligation of the employer, because they benefit from employee services. OPEB contributions come from these employers and health care plan enrollees which pay a portion of the health care costs in the form of a monthly premium. The Ohio Revised Code permits, but does not require, the retirement systems to provide healthcare to eligible benefit recipients. Any change to benefits or funding could significantly affect the net OPEB liability. Resulting adjustments to the net OPEB liability would be effective when the changes are legally enforceable. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

The proportionate share of each plan's unfunded benefits is presented as a long-term *net OPEB liability*. Any liability for the contractually required OPEB contribution outstanding at the end of the year is included in *accounts payable and accrued expenses*.

Plan Description

The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the traditional pension plan, a cost-sharing, multiple-employer defined benefit pension plan; the member-directed plan, a defined contribution plan; and the combined plan, a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan. Effective January 1, 2023 the Combined Plan is no longer available for member selection.

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust, the 115 Health Care Trust, which was established in 2014 to fund health care for the Traditional Pension, Combined, and Member-Directed plans. With one exception, OPERS-provided health care coverage is neither guaranteed nor statutorily required. Ohio law currently requires Medicare Part A equivalent coverage or Medicare Part A premium reimbursement for eligible retirees and their eligible dependents.

Retirees and eligible dependents enrolled in Medicare Parts A and B, and non-Medicare retirees beginning in 2022, are able to participate in the OPERS Connector in lieu of comprehensive health care coverage. The Connector, a vendor selected by OPERS, assist eligible retirees, spouses, and dependents in the evaluation, selection and purchase of a health care plan on the open market. Eligible retirees may receive a monthly allowance in their health reimbursement arrangement (HRA) account that can be used to reimburse eligible health care expenses.

**NORTHEAST OHIO PUBLIC ENERGY COUNCIL
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Notes to the Financial Statements
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NOTE 7 DEFINED BENEFIT OPEB PLANS (Continued)

OPERS members enrolled in the Traditional Pension Plan or Combined Plan retiring with an effective date of January 1, 2023 or after must meet the following health care eligibility requirements to receive an HRA allowance:

1. Medicare Retirees – Medicare-eligible with a minimum of 20 years of qualifying service credit.
2. Non-Medicare Retirees – Non-Medicare retirees qualify based on the following age-and-service criteria:
 - a. Group A – 30 years of qualifying service credit at any age;
 - b. Group B – 32 years of qualifying service credit at any age or 31 years of qualifying service credit and minimum age 52;
 - c. Group C – 32 years of qualifying service credit and minimum age 55; or,
 - d. A retiree from groups A, B or C who qualifies for an unreduced pension, but a portion of their service credit is not health care qualifying service, can still qualify for health care at age 60 if they have at least 20 years of qualifying health care service credit.

Retirees who do not meet the requirement for coverage as a non-Medicare participant can become eligible for coverage at age 65 if they have at least 20 years of qualifying service. Members with a retirement date prior to January 1, 2023 who were eligible to participate in the OPERS health care program will continue to be eligible after January 1, 2023, as summarized in the following table:

Retirement Date	Group A		Group B		Group C	
	Age	Service	Age	Service	Age	Service
December 1, 2014 or Prior	Any	10	Any	10	Any	10
January 1, 2015 through December 31, 2021	60	20	52 60	31 20	55	32
	Any	30	Any	32	60	20

Participants in the Member-Directed Plan have access to the Connector and have a separate health care funding mechanism. A portion of employer contributions for these participants is allocated to a retiree medical account (RMA). Upon separation or retirement, participants may use vested RMA funds for reimbursement of qualified medical expenses.

The Ohio Revised Code permits, but does not require OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the Board in Chapter 145 of the Ohio Revised Code.

Disclosures for the health care plan are presented separately in the OPERS financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/financialreports.shtml> or by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 614-222-5601 or 800-222-7377.

**NORTHEAST OHIO PUBLIC ENERGY COUNCIL
CUYAHOGA COUNTY**

Notes to the Financial Statements
For the Years Ended December 31, 2024 and 2023

NOTE 7 DEFINED BENEFIT OPEB PLANS (Continued)

Funding Policy - The Ohio Revised Code provides the statutory authority requiring public employers to fund postemployment health care through their contributions to OPERS. When funding is approved by OPERS Board of Trustees, a portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans.

Employer contribution rates are expressed as a percentage of covered payroll. In 2024, state and local employers contributed at a rate of 14.0 percent of earnable salary and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2024, OPERS did not allocate employer contributions to health care for members in the Traditional Pension Plan. Effective July 1, 2023, OPERS began allocating 2.0 percent of the employer contribution rate to health care funding for the Combined Plan. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the Member-Directed Plan for 2024 was 4.0 percent.

Employer contribution rates are actuarially determined and expressed as a percentage of covered payroll. NOPEC's contractually required contributions for 2024 and 2023 were \$24,901 and \$23,843 respectively.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The net OPEB liability and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2022, rolled forward to the measurement date of December 31, 2023, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. NOPEC's proportion of the net OPEB liability was based on NOPEC's share of contributions to the retirement plan relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	2024	2023
Proportion of the Net OPEB Asset		
Prior Measurement Date	0.013593%	0.013812%
Proportion of the Net OPEB Asset		
Current Measurement Date	0.013977%	0.013593%
Change in Proportionate Share	<u>0.000384%</u>	<u>-0.000219%</u>
Proportionate Share of the Net OPEB Liability/(Asset)	(\$126,146)	\$85,706
OPEB Expense	\$16,862	(\$84,251)

**NORTHEAST OHIO PUBLIC ENERGY COUNCIL
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Notes to the Financial Statements
For the Years Ended December 31, 2024 and 2023

NOTE 7 DEFINED BENEFIT OPEB PLANS (Continued)

At December 31, 2024, and December 31, 2023, NOPEC reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	2024	2023
Deferred Outflows of Resources		
Net difference between projected and actual earnings on OPEB plan investments	\$ 75,760	\$ 170,218
Changes of assumptions	32,476	83,712
Changes in proportion and differences between NOPEC contributions and proportionate share of contributions	10,875	26,138
NOPEC contributions subsequent to the measurement date	24,901	23,843
	<u>144,012</u>	<u>303,911</u>
Total Deferred Outflows of Resources	<u>\$ 144,012</u>	<u>\$ 303,911</u>
Deferred Inflows of Resources		
Differences between expected and actual experience	\$ 17,954	\$ 21,378
Changes of assumptions	54,226	6,888
	<u>72,180</u>	<u>28,266</u>
Total Deferred Inflows of Resources	<u>\$ 72,180</u>	<u>\$ 28,266</u>

\$24,901 reported as deferred outflows of resources related to OPEB resulting from NOPEC contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability or an increase to the net OPEB asset in 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending December 31:	
2025	\$5,860
2026	7,679
2027	58,972
2028	(25,580)
Total	<u>\$46,931</u>

Actuarial Assumptions – OPERS

Actuarial valuations of an ongoing plan involve estimates of the values of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and cost trends. Actuarially determined amounts are subject to continual review or modification as actual results are compared with past expectations and new estimates are made about the future.

**NORTHEAST OHIO PUBLIC ENERGY COUNCIL
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Notes to the Financial Statements
For the Years Ended December 31, 2024 and 2023

NOTE 7 DEFINED BENEFIT OPEB PLANS (Continued)

Projections of benefits for financial reporting purposes are based on the substantive plan and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2022, rolled forward to the measurement date of December 31, 2023. The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

Wage Inflation	
Current Measurement Date:	2.75 percent
Prior Measurement Date:	2.75 percent
Projected Salary Increases, including inflation	
Current Measurement Date:	2.75 to 10.75 percent, including wage inflation
Prior Measurement Date:	2.75 to 10.75 percent, including wage inflation
Single Discount Rate:	
Current Measurement Date:	5.70 percent
Prior Measurement Date:	5.22 percent
Investment Rate of Return	6.00 percent
Municipal Bond Rate	
Current Measurement Date:	3.77 percent
Prior Measurement Date:	4.05 percent
Health Care Cost Trend Rate	
Current Measurement Date:	5.50 percent initial, 3.50 percent ultimate in 2038
Prior Measurement Date:	5.50 percent initial, 3.50 percent ultimate in 2036

Pre-retirement mortality rates are based on 130% of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170% of the Pub-2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement divisions. Post-retirement mortality rates are based on 115% of the PubG-2010 Retiree Mortality Tables (males and females) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all of the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all of these tables.

The most recent experience study was completed for the five-year period ended December 31, 2020.

During 2023, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, contributions into the plans are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made, and health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio was a gain of 14.0 percent for 2024 and a loss of 15.6 percent for 2023.

**NORTHEAST OHIO PUBLIC ENERGY COUNCIL
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Notes to the Financial Statements
For the Years Ended December 31, 2024 and 2023

NOTE 7 DEFINED BENEFIT OPEB PLANS (Continued)

The allocation of investment assets with the Health Care portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS' primary goal is to achieve and maintain a fully funded status for the benefits provided through the defined pension plans. Health care is a discretionary benefit. The long-term expected rate of return on health care investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. The table below displays the Board-approved asset allocation policy for 2023 and the long-term expected real rates of return:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed Income	37.00 %	2.82 %
Domestic Equities	25.00	4.27
Real Estate Investment Trust	5.00	4.68
International Equities	25.00	5.16
Risk Parity	3.00	4.38
Other investments	5.00	2.43
Total	<u>100.00 %</u>	

Discount Rate: A single discount rate of 5.70 percent was used to measure the OPEB liability on the measurement date of December 31, 2023. A single discount rate of 5.22 percent was used to measure the OPEB asset on the measurement date of December 31, 2022. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00 percent and a municipal bond rate of 3.77 percent. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2070. As a result, the long-term expected rate of return on health care investments was applied to projected costs through the year 2070, And the municipal bond rate was applied to all health care costs after that date.

**NORTHEAST OHIO PUBLIC ENERGY COUNCIL
CUYAHOGA COUNTY**

Notes to the Financial Statements
For the Years Ended December 31, 2024 and 2023

NOTE 7 DEFINED BENEFIT OPEB PLANS (Continued)

Sensitivity of NOPEC's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate: The following table presents the NOPEC's proportionate share of the net OPEB liability calculated using the single discount rate of 5.70 percent, as well as what the NOPEC's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (4.70 percent) or one-percentage-point higher (6.70) than the current rate:

	1% Decrease (4.70%)	Discount Rate (5.70%)	1% Increase (6.70%)
NOPEC's proportionate share of the net OPEB liability/(asset)	\$ 69,326	\$ (126,146)	\$ (288,066)

Sensitivity of NOPEC's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate: Changes in the health care cost trend rate may also have a significant impact on the net OPEB liability. The following table presents the net OPEB liability calculated using the assumed trend rates, and the expected net OPEB liability if it were calculated using a health care cost trend rate that is 1.0 percent lower or 1.0 percent higher than the current rate.

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2024 is 5.5 percent. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is that in the not-too-distant future, the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50 percent in the most recent valuation.

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
NOPEC's proportionate share of the net OPEB (asset)	\$ (131,384)	\$ (126,146)	\$ (120,202)

NOTE 8 RISK MANAGEMENT AND CONTINGENCIES

NOPEC is exposed to various risks of loss. For 2024 and 2023, NOPEC contracted with USI Insurance Services, LLC for various types of liability insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years and there were no significant reductions in coverage from the prior year.

NOTE 9 RELATED PARTY TRANSACTIONS

In 2007, NOPEC authorized the creation of NOPEC, Inc., a not-for-profit corporation which could in the future be certified to serve as the CRES supplier for NOPEC's electric and gas aggregation programs. NOPEC funded Grants to NOPEC, Inc. in 2024 and 2023 totaling \$5,054,500 and \$11,297,055, respectively.

**NORTHEAST OHIO PUBLIC ENERGY COUNCIL
CUYAHOGA COUNTY**

Notes to the Financial Statements
For the Years Ended December 31, 2024 and 2023

NOTE 10 PREPAID EXPENSES

Prepaid expenses consist primarily of short-term payroll related expenses and other subscriptions related to the following year.

NOTE 11 CHANGES IN ACCOUNTING PRINCIPLES

During the year, NOPEC implemented the following Governmental Accounting Standards Board (GASB) Statements and Implementation Guides:

GASB Implementation Guide 2023-1 provides clarification on issues related to previously established GASB guidance. These changes were incorporated in the NOPEC's financial statements; however, there was no effect on the beginning net position/fund balance.

GASB Statement No. 100, Accounting Change and Error Corrections – an Amendment of GASB Statement No. 62. GASB 100 will improve the clarity of the accounting and financial reporting requirements for accounting changes and error corrections, which will result in greater consistency in application in practice. In turn, more understandable, reliable, relevant, consistent, and comparable information will be provided to financial statement users for making decisions or assessing accountability. In addition, the display and note disclosure requirements will result in more consistent, decision useful, understandable, and comprehensive information for users about accounting changes and error corrections. The implementation of the GASB pronouncement did not have any impact on beginning net position or fund balance.

GASB Statement No. 101, Compensated Absences The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. For NOPEC, GASB 101 increased the liability and the cumulative effects of compensated absence related expense on net position as shown on the table below.

	Governmental Activities
Net Position December 31, 2023	\$ 56,572,523
Adjustments:	
Change in Accounting Principle -	
Compensated Absences - GASB Statement No. 101	(139,712)
Restated Net Position December 31, 2023	<u>\$ 56,432,811</u>
	Governmental Activities
Net Position December 31, 2022	\$ 51,473,059
Adjustments:	
Change in Accounting Principle -	
Compensated Absences - GASB Statement No. 101	(120,722)
Restated Net Position December 31, 2022	<u>\$ 51,352,337</u>

NORTHEAST OHIO PUBLIC ENERGY COUNCIL
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Required Supplementary Information
Schedule of NOPEC's Proportionate Share of the Net Pension Liability
Ohio Public Employees Retirement System
Last Ten Years

Traditional Plan	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
NOPEC's Proportion of the Net Pension Liability	0.011369%	0.009884%	0.009700%	0.008839%	0.008596%	0.007913%	0.006993%	0.006513%	0.005132%	0.004443%
NOPEC's Proportionate Share of the Net Pension Liability	\$ 2,976,451	\$ 2,919,738	\$ 843,939	\$ 1,308,863	\$ 1,699,058	\$ 2,167,210	\$ 1,097,066	\$ 1,478,992	\$ 888,927	\$ 535,875
NOPEC's Covered Payroll	\$ 1,871,393	\$ 1,532,136	\$ 1,407,814	\$ 1,244,936	\$ 1,209,429	\$ 1,068,736	\$ 924,131	\$ 841,925	\$ 638,675	\$ 544,700
NOPEC's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	159.05%	190.57%	59.95%	105.13%	140.48%	202.78%	118.71%	175.67%	139.18%	98.38%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	79.01%	75.74%	92.62%	86.88%	82.17%	74.70%	84.66%	77.25%	81.08%	86.45%

Amounts presented as of the NOPEC's measurement date which is the prior year end.

See accompanying notes to the required supplementary information

**NORTHEAST OHIO PUBLIC ENERGY COUNCIL
CUYAHOGA COUNTY**

Required Supplementary Information
Schedule of NOPEC's Contributions - Pension
Ohio Public Employees Retirement System
Last Ten Years

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually Required Contributions	\$ 322,948	\$ 261,995	\$ 214,499	\$ 197,094	\$ 174,291	\$ 169,320	\$ 149,623	\$120,137	\$101,031	\$ 76,641
Contributions in Relation to the Contractually Required Contribution	<u>(322,948)</u>	<u>(261,995)</u>	<u>(214,499)</u>	<u>(197,094)</u>	<u>(174,291)</u>	<u>(169,320)</u>	<u>(149,623)</u>	<u>(120,137)</u>	<u>(101,031)</u>	<u>(76,641)</u>
Contribution Deficiency / (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
NOPEC's Covered Payroll	\$2,306,771	\$1,871,393	\$1,532,136	\$1,407,814	\$1,244,936	\$1,209,429	\$1,068,736	\$924,131	\$841,925	\$638,675
Pension Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	13.00%	12.00%	12.00%

See accompanying notes to the required supplementary information

NORTHEAST OHIO PUBLIC ENERGY COUNCIL
CUYAHOGA COUNTY
Required Supplementary Information
Schedule of NOPEC's Proportionate Share of the Net OPEB Liability
Ohio Public Employees Retirement System
Last Eight Years (1)

	2024	2023	2022	2021	2020	2019	2018	2017
NOPEC's Proportion of the Net OPEB Liability/Asset	0.013977%	0.013593%	0.013812%	0.012893%	0.011988%	0.009175%	0.007220%	0.006740%
NOPEC's Proportionate Share of the Net OPEB Liability/(Asset)	\$ (126,146)	\$ 85,706	\$ (432,613)	\$ (229,699)	\$ 1,655,854	\$ 1,196,203	\$ 784,039	\$ 680,763
NOPEC's Covered Payroll	\$2,467,474	\$2,262,314	\$2,153,764	\$1,949,892	\$1,811,104	\$1,330,743	\$1,022,674	\$ 931,707
NOPEC's Proportionate Share of the Net OPEB Liability/Asset as a Percentage of its Covered Payroll	-5.11%	3.79%	-20.09%	-11.78%	91.43%	89.89%	76.67%	73.07%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability/Asset	107.76%	94.79%	128.23%	115.57%	47.80%	46.33%	54.14%	54.04%

(1) Information prior to 2017 is not available. Schedule is intended to show ten years of information, and additional years' will be displayed as it becomes available.

Amounts presented as of the NOPEC's measurement date, which is the prior calendar year end.

See accompanying notes to the required supplementary information

**NORTHEAST OHIO PUBLIC ENERGY COUNCIL
CUYAHOGA COUNTY**

Required Supplementary Information
Schedule of NOPEC's Contributions - OPEB
Ohio Public Employees Retirement System
Last Ten Years

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contribution	\$ 24,901	\$ 23,843	\$ 29,207	\$ 29,838	\$ 28,198	\$ 24,067	\$ 10,480	\$ 13,183	\$ 20,430	\$ 12,773
Contributions in Relation to the Contractually Required Contribution	(24,901)	(23,843)	(29,207)	(29,838)	(28,198)	(24,067)	(10,480)	(13,183)	(20,430)	(12,773)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
NOPEC Covered Payroll	\$ 2,929,293	\$ 2,467,474	\$ 2,262,314	\$ 2,153,764	\$ 1,949,892	\$ 1,811,104	\$ 1,330,743	\$ 1,022,674	\$ 931,707	\$ 727,074
Contributions as a Percentage of Covered Payroll	0.85%	0.97%	1.29%	1.39%	1.45%	1.33%	0.79%	1.29%	2.19%	1.76%

See accompanying notes to the required supplementary information

NORTHEAST OHIO PUBLIC ENERGY COUNCIL CUYAHOGA COUNTY

Notes to the Required Supplementary Information For the Year Ended December 31, 2024

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Net Pension Liability

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for 2014-2024.

Changes in assumptions: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2014-2016 and 2018. For 2017, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the expected investment return was reduced from 8.00% to 7.50%, (b) the expected long-term average wage inflation rate was reduced from 3.75% to 3.25%, (c) the expected long-term average price inflation rate was reduced from 3.00% to 2.50%, (d) Rates of withdrawal, retirement and disability were updated to reflect recent experience, (e) mortality rates were updated to the RP-2014 Health Annuitant Mortality Table, adjusted for mortality improvement back to the observant period base year of 2006 and then established the base year as 2015 (f) mortality rates used in evaluating disability allowances were updated to the RP-2014 Disabled Mortality tables, adjusted for mortality improvement back to the observation base year of 2006 and a base year of 2015 for males and 2010 for females (g) Mortality rates for a particular calendar year for both healthy and disabled retiree mortality tables are determined by applying the MP-2015 mortality improvement scale to the above described tables. For 2019, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the expected investment return was reduced from 7.50% to 7.20%. For 2020, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the cost-of-living adjustments for post-1/7/2013 retirees were reduced from 3.00% simple through 2018 to 1.40% simple through 2020, then 2.15% simple. For 2021, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the cost-of-living adjustments for post-1/7/2013 retirees were reduced from 1.40% simple through 2020 to 0.50% simple through 2021, then 2.15% simple. For 2022, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the expected long-term average wage inflation rate was reduced from 3.25% to 2.75% (b) the cost-of-living adjustments for post-1/7/2013 retirees were increased from 0.50% simple through 2021 to 3.00% simple through 2022, then 2.05% simple (c) the expected investment return was reduced from 7.20% to 6.90%. There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2023. For 2024, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the cost-of-living adjustments for post-1/7/2013 retirees were decreased from 3.00% simple through 2023 then 2.05% simple, to 2.30% simple through 2024 then 2.05% simple.

Net OPEB Liability

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for 2018-2024.

Changes in assumptions: For 2018, the single discount rate changed from 4.23% to 3.85%. For 2019, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the expected investment return was reduced from 6.50% to 6.00% (b) In January 2019, the Board adopted changes to health care coverage for Medicare and pre-Medicare retirees. It will include discontinuing the PPO plan for pre-Medicare retirees and replacing it with a monthly allowance to help participants pay for a health care plan of their choosing. The base allowance for Medicare eligible retirees will be reduced. The specific effect of these changes on the net OPEB liability and OPEB expense are unknown at this time (c) the single discount rate changed from 3.85% to 3.96%. For 2020, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the single discount rate changed

**NORTHEAST OHIO PUBLIC ENERGY COUNCIL
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Notes to the Required Supplementary Information
For the Year Ended December 31, 2024

from 3.96% to 3.16%. For 2021, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the single discount rate changed from 3.16% to 6.00% (b) the municipal bond rate changed from 2.75% to 2.00% (c) the health care cost trend rate changed from 10.50% initial and 3.50% ultimate in 2030 to 8.50% initial and 3.50% ultimate in 2035. For 2022, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the expected long-term average wage inflation rate was reduced from 3.25% to 2.75%. (b) the municipal bond rate changed from 2.00% to 1.84% (c) the health care cost trend rate changed from 8.50% initial and 3.50% ultimate in 2035 to 5.50% initial and 3.50% ultimate in 2034. For 2023, the following changes in assumptions affected the total OPEB liability since the prior measurement date: (a) the single discount rate changed from 6.00% to 5.22% (b) the municipal bond rate changed from 1.84% to 4.05% (c) the health care cost trend rate changed from 5.50% initial and 3.50% ultimate in 2034 to 5.50% initial and 3.50% ultimate in 2036. For 2024, the following changes in assumptions affected the total OPEB liability since the prior measurement date: (a) the single discount rate changed from 5.22% to 5.70% (b) the municipal bond rate changed from 4.05% to 3.77% (c) the health care cost trend rate changed from 5.50% initial and 3.50% ultimate in 2036 to 5.50% initial and 3.50% ultimate in 2038.

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NORTHEAST OHIO PUBLIC ENERGY COUNCIL CUYAHOGA COUNTY

Management's Discussion and Analysis *December 31, 2023 and 2022* *(UNAUDITED)*

The management's discussion and analysis of the Northeast Ohio Public Energy Council, Cuyahoga County, Ohio, (NOPEC's) financial performance provides an overall review of NOPEC's financial activities for the years ended December 31, 2023 and 2022. The intent of this discussion and analysis is to look at NOPEC's financial performance as a whole; readers should also review the basic financial statements and notes to enhance their understanding of NOPEC's financial performance.

Highlights

Key highlights for 2023 and 2022 are as follows:

- NOPEC is the largest public energy aggregation in Ohio with about 240 member communities. NOPEC is funded through management fees received from energy suppliers with which it has contracts. NOPEC does not receive any public funds in connection with its aggregation operations.
- The changes in NOPEC's pension and OPEB liabilities/assets are due to change in NOPEC's proportionate share of pension and OPEB liabilities/assets.
- Net position increased by \$5,099,464 or 9.9% for 2023 and increased \$2,231,420 or 4.5% for 2022. The increases in 2023 and 2022 are due mainly to continuing operations and higher interest rates.

Using the Basic Financial Statements

This annual report is presented in a format consistent with the presentation requirements of Governmental Accounting Standards Board Statement (GASB) No. 34, as adopted January 1, 2005.

Report Components

The Statement of Net Position and Statement of Activities provide information about the activities of NOPEC as a whole.

Fund financial statements provide a greater level of detail. Funds are created and maintained on the financial records of as a way to segregate money whose use is restricted to a particular specified purpose. These statements present financial information for NOPEC's only fund, the General Fund.

The notes to the financial statements are an integral part of the financial statements and provide expanded explanation and detail regarding the information reported in the statements.

Reporting NOPEC as a Whole

The Statement of Net Position and Statement of Activities reflect how NOPEC performed financially during 2023 and 2022. These statements include all *non-fiduciary assets and deferred outflows of resources and liabilities and deferred inflows of resources* using the *accrual basis of accounting* similar to the accounting method used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

NORTHEAST OHIO PUBLIC ENERGY COUNCIL CUYAHOGA COUNTY

Management's Discussion and Analysis *December 31, 2023 and 2022* *(UNAUDITED)*

These two statements report NOPEC's *net position* and *changes in net position*. These reports are one way to measure NOPEC's financial health. Over time, increases or decreases in net position is one indicator of whether NOPEC's financial health is improving or deteriorating. When evaluating financial condition, you should also consider other nonfinancial factors as well, such as the number of member communities.

In the Statement of Net Position and Statement of Activities, all activity of NOPEC is reported:

Governmental Activities - NOPEC is an Ohio regional council of governments that obtains electric and natural gas supply at bulk rates for individual utility customers in member communities. The respective energy suppliers pay to NOPEC management fees based on a number of factors, including the number of customers that it obtains through NOPEC's member communities. NOPEC pays its costs of operating the organization with the management fees received from the energy suppliers.

Reporting NOPEC's Most Significant Fund

A fund is a grouping of related accounts that is used to maintain control over resources that have been safeguarded for specific activities or objectives. Fund financial statements focus on the most significant funds. NOPEC has only governmental funds.

Governmental Funds – All of NOPEC's activities are reported in governmental funds. The governmental fund financial statements provide a detailed view of NOPEC's operations. This information helps determine whether there are more or less financial resources that can be spent to finance NOPEC's activities. NOPEC's only major governmental fund is the General Fund.

NOPEC as a Whole

Table 1 on the following page provides a summary of NOPEC's net position for 2023 and 2022 compared to 2021:

**NORTHEAST OHIO PUBLIC ENERGY COUNCIL
CUYAHOGA COUNTY**

*Management's Discussion and Analysis
December 31, 2023 and 2022
(UNAUDITED)*

Table 1 - Net Position

	As of December 31,		
	2023	2022	2021
Assets			
Cash and Cash Equivalents	\$51,827,064	\$48,713,727	\$46,989,041
Accounts, Interest and Note Receivable	4,977,090	3,698,094	3,384,733
Prepaid Expenses	232,532	185,318	179,805
Deposits	184,209	184,209	164,956
Capital Assets, Net	1,421,268	1,474,350	1,455,357
Net OPEB Asset	-	432,613	229,699
Total Assets	<u>58,642,163</u>	<u>54,688,311</u>	<u>52,403,591</u>
Deferred Outflow of Resources			
Pension	1,271,727	480,562	262,377
OPEB	303,911	96,207	329,056
Total Deferred Outflows of Resources	<u>1,575,638</u>	<u>576,769</u>	<u>591,433</u>
Liabilities			
Accounts Payable and Accrued Expenses	611,568	1,470,144	1,154,529
Unearned Revenue	-	8,618	23,260
Net Pension Liability	2,919,738	843,939	1,308,863
Net OPEB Liability	85,706	-	-
Total Liabilities	<u>3,617,012</u>	<u>2,322,701</u>	<u>2,486,652</u>
Deferred Inflow of Resources			
Pension	-	1,022,345	564,909
OPEB	28,266	446,975	701,824
Total Deferred Inflows of Resources	<u>28,266</u>	<u>1,469,320</u>	<u>1,266,733</u>
Net Position			
Investment in Capital Assets	1,421,268	1,474,350	1,455,357
Unrestricted	55,151,255	49,998,709	47,786,282
Total Net Position	<u>\$56,572,523</u>	<u>\$51,473,059</u>	<u>\$49,241,639</u>

The net pension liability (NPL) and net OPEB asset are reported by NOPEC at December 31, 2023, and December 31, 2022, are reported pursuant to GASB Statement 68, "Accounting and Financial Reporting for Pension – an Amendment of GASB Statement 27" and GASB Statement 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions," which significantly revises accounting for costs and liabilities related to other postemployment benefits (OPEB). For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the NOPEC's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability and the net OPEB liability to the reported net position and subtracting deferred outflows related to pension and OPEB and net OPEB asset.

Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. Prior accounting for pensions (GASB 27) and postemployment benefits (GASB 45) focused on a funding approach.

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This approach limited pension and OPEB costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's net pension liability or net OPEB liability.

GASB 68 and GASB 75 take an earnings approach to pension and OPEB accounting; however, the nature of Ohio's statewide pension/OPEB plans and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

GASB 68 and GASB 75 require the net pension liability and the net OPEB liability/asset to equal the NOPEC's proportionate share of each plan's collective:

1. Present value of estimated future pension/OPEB benefits attributable to active and inactive employee's past service
2. Minus plan assets available to pay those benefits

GASB notes that pension and OPEB obligations, whether funded or unfunded, are part of the "employment exchange" – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension and other postemployment benefits. GASB noted that the unfunded portion of this promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, NOPEC is not responsible for certain key factors affecting the balance of these liabilities. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The Ohio Revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

The employee enters the employment exchange with the knowledge that the employer's promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the retirement system. In Ohio, there is no legal means to enforce the unfunded liability of the pension/OPEB plan as against the public employer. State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The retirement system is responsible for the administration of the pension and OPEB plans.

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability or the net OPEB liability. As explained above, changes in benefits, contribution rates, and return on investments affect the balance of these liabilities, but are outside the control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with required payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability and the net OPEB liability are satisfied, these liabilities are separately identified within the long-term liability section of the statement of net position.

**NORTHEAST OHIO PUBLIC ENERGY COUNCIL
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In accordance with GASB 68 and GASB 75, NOPEC's statements prepared on an accrual basis of accounting include an annual pension expense and an annual OPEB expense for their proportionate share of each plan's change in net pension liability and net OPEB liability/asset, respectively, not accounted for as deferred inflows/outflows.

There is no related debt to the Capital Assets. Capital Assets were \$1,421,268 and \$1,474,350 at December 31, 2023 and 2022, respectively. The Capital Assets are used to provide services to residential and small commercial consumers in member communities.

The changes in Net OPEB Asset, Net Pension and OPEB Liability, and the Deferred Inflows and Outflows of Resources are attributed to the recording of GASB Statements No. 68 and 75 as previously mentioned.

The decrease in Accounts Payable and Accrued Expenses is due to the timing of certain year end payables and pending disbursements from PACE loans that closed late in the year.

As mentioned previously, net position of governmental activities increased \$5,099,464 or 9.9% for 2023 and increased \$2,231,420 or 4.5% for 2022. The increase in 2023 and 2022 are due mainly to continuing operations. Table 2 reflects the changes in net position in 2023, 2022 and 2021:

Table 2 - Changes in Net Position

	For the Years Ended December 31		
	2023	2022	2021
Revenues			
Program Revenues:			
Charges for Services	\$20,138,485	\$17,312,896	\$15,720,276
General Revenues:			
Interest and other income	3,416,096	(1,173,737)	(130,223)
Total Revenues	23,554,581	16,139,159	15,590,053
Program Expenses:			
General Government	18,455,117	13,907,739	11,393,313
Total Program Expenses	18,455,117	13,907,739	11,393,313
Increase (Decrease) in Net Position	5,099,464	2,231,420	4,196,740
Net Position, January 1	51,473,059	49,241,639	45,044,899
Net Position, December 31	\$56,572,523	\$51,473,059	\$49,241,639

The most significant portion of NOPEC's total revenues are charges for services - management fees. Management fees represent supplier agreements and acquisition costs related to entering new gas and electric contracts.

**NORTHEAST OHIO PUBLIC ENERGY COUNCIL
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Charges for services increased due to being an “on” year for the natural gas opt-in cycle in 2023, which is normally part of a two-year revenue cycle. Interest income increased due to general market conditions for fixed-interest instruments, which also contributed to the change in fair market values on the balance sheet.

Program expenses represent the program-related and administrative costs of NOPEC’s activities and operations. These include a variety of programs as well as marketing to residential and small commercial customers and communications with member communities and potential member communities, legal fees, aggregation services and other supporting services.

Governmental Activities

NOPEC is an Ohio regional council of governments established under Chapter 167 of the Ohio Revised Code, comprised of about 240 Ohio political subdivision member communities. NOPEC is governed by representatives of each member community.

NOPEC's Funds

Total governmental funds had revenues of \$23,554,581 and expenditures of \$18,247,840 for the year ended December 31, 2023; and revenues of \$16,139,159 and expenditures of \$14,377,319 for the year ended December 31, 2022. The fund balance of the General Fund increased \$5,306,741 in 2023 and increased \$1,761,840 in 2022. Revenues increased mainly due to stronger than expected reenrollment numbers, favorable interest rates, contractual payments from NOPEC’s supplier, and other new sources of income. Expenses increased primarily due to an increase in the grant to Nopec Inc.

General Fund Budgeting Highlights

NOPEC is not bound by the budgetary laws prescribed by the Ohio Revised Code. However, NOPEC did maintain formal budgets for 2023 and 2022.

Capital Assets

At the end of fiscal year 2023, NOPEC had \$1,421,268 (net of accumulated depreciation) invested in land, office condominium buildings, and machinery and equipment. The following table shows fiscal 2023 balances compared to 2022 and 2021:

	Capital Assets at December 31 (net of depreciation) Governmental Activities		
	2023	2022	2021
Land	\$ 204,200	\$ 204,200	\$ 204,200
Building	1,158,469	1,184,514	1,210,559
Machinery and Equipment	58,599	85,636	40,598
	<u>\$ 1,421,268</u>	<u>\$ 1,474,350</u>	<u>\$ 1,455,357</u>

Current Issues

NOPEC uses the size of its membership to negotiate favorable energy pricing, terms of service, and member benefits for its member communities and customers. There is considerable retail energy competition in the Ohio energy market in which NOPEC provides service.

**NORTHEAST OHIO PUBLIC ENERGY COUNCIL
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*Management's Discussion and Analysis
December 31, 2023 and 2022
(UNAUDITED)*

Contacting NOPEC's Financial Management

This financial report is designed to provide our member communities, citizens, investors, and creditors with a general overview of NOPEC's finances and to reflect NOPEC's accountability for the funds it receives. Questions concerning any of the information in this report or requests for additional information should be directed to NOPEC, 31360 Solon Rd., Suite 33, Solon, Ohio 44139 Tel. 440-248-1992.

**NORTHEAST OHIO PUBLIC ENERGY COUNCIL
CUYAHOGA COUNTY**

*Statement of Net Position
December 31, 2023 and 2022*

	Governmental Activities 2023	Governmental Activities 2022
Assets		
Equity in Pooled Cash and Cash Equivalents	\$51,827,064	\$48,713,727
Accounts Receivable	2,197,827	850,894
Accrued Interest Receivable	178,161	104,200
Prepaid Expenses	232,532	185,318
Note Receivable - PACE	2,601,102	2,743,000
Deposits	184,209	184,209
Capital Assets, Net	1,421,268	1,474,350
Net OPEB Asset	-	432,613
Total Assets	<u>58,642,163</u>	<u>54,688,311</u>
Deferred Outflow of Resources		
Pension	1,271,727	480,562
OPEB	303,911	96,207
Total Deferred Outflow of Resources	<u>1,575,638</u>	<u>576,769</u>
Liabilities		
Accounts Payable and Accrued Expenses	611,568	1,470,144
Unearned Revenue	-	8,618
Net Pension Liability	2,919,738	843,939
Net OPEB Liability	85,706	-
Total Liabilities	<u>3,617,012</u>	<u>2,322,701</u>
Deferred Inflow of Resources		
Pension	-	1,022,345
OPEB	28,266	446,975
Total Deferred Inflow of Resources	<u>28,266</u>	<u>1,469,320</u>
Net Position		
Investment in Capital Assets	1,421,268	1,474,350
Unrestricted	55,151,255	49,998,709
Total Net Position	<u>\$56,572,523</u>	<u>\$51,473,059</u>

See accompanying notes to the basic financial statements.

**NORTHEAST OHIO PUBLIC ENERGY COUNCIL
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*Statement of Activities
For the Year Ended December 31, 2023*

	<u>Expenses</u>	<u>Program Revenues Charges for Services</u>	<u>Net Revenue and Changes in Net Position Governmental Activities</u>
Governmental Activities			
General Government	<u>\$18,455,117</u>	<u>\$20,138,485</u>	<u>\$1,683,368</u>
<i>Total Government Activities</i>	<u><u>\$18,455,117</u></u>	<u><u>\$20,138,485</u></u>	<u><u>1,683,368</u></u>
 General Revenues			
Interest and other income			<u>3,416,096</u>
<i>Total General Revenues</i>			<u><u>3,416,096</u></u>
Change in Net Position			5,099,464
<i>Net Position - Beginning of Year</i>			<u>51,473,059</u>
<i>Net Position - End of Year</i>			<u><u>\$56,572,523</u></u>

See accompanying notes to the basic financial statements.

**NORTHEAST OHIO PUBLIC ENERGY COUNCIL
CUYAHOGA COUNTY**

*Statement of Activities
For the Year Ended December 31, 2022*

	<u>Expenses</u>	<u>Program Revenues Charges for Services</u>	<u>Net Revenue and Changes in Net Position Governmental Activities</u>
Governmental Activities			
General Government	<u>\$13,907,739</u>	<u>\$17,312,896</u>	<u>\$3,405,157</u>
<i>Total Government Activities</i>	<u><u>\$13,907,739</u></u>	<u><u>\$17,312,896</u></u>	<u><u>3,405,157</u></u>
 General Revenues			
Interest and other income			<u>(1,173,737)</u>
<i>Total General Revenues</i>			<u>(1,173,737)</u>
Change in Net Position			2,231,420
<i>Net Position - Beginning of Year</i>			<u>49,241,639</u>
<i>Net Position - End of Year</i>			<u><u>\$51,473,059</u></u>

See accompanying notes to the basic financial statements.

NORTHEAST OHIO PUBLIC ENERGY COUNCIL
CUYAHOGA COUNTY
Balance Sheet
General Fund
December 31, 2023 and 2022

	2023	2022
Assets:		
Equity in Pooled Cash and Cash Equivalents	\$51,827,064	\$48,713,727
Accounts Receivable	2,197,827	850,894
Accrued Interest Receivable	178,161	104,200
Prepaid Expenses	232,532	185,318
Note Receivable - PACE	2,601,102	2,743,000
Deposits	184,209	184,209
Total Assets	<u>\$57,220,895</u>	<u>\$52,781,348</u>
 LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts Payable and Accrued Expenses	\$ 611,568	\$ 1,470,144
Unearned Revenue	-	8,618
Total Liabilities	<u>611,568</u>	<u>1,478,762</u>
 Fund Balances:		
Nonspendable	3,017,843	3,112,527
Unassigned	53,591,484	48,190,059
Total Fund Balances	<u>56,609,327</u>	<u>51,302,586</u>
Total Liabilities and Fund Balances	<u>\$57,220,895</u>	<u>\$52,781,348</u>

See accompanying notes to the basic financial statements.

**NORTHEAST OHIO PUBLIC ENERGY COUNCIL
CUYAHOGA COUNTY**
*Reconciliation of Total Governmental Fund Balances to
Net Position of Governmental Activities
December 31, 2023 and 2022*

	<u>2023</u>	<u>2022</u>
Total Governmental Fund Balances	\$56,609,327	\$51,302,586
<i>Amounts reported for Governmental Activities in the Statement of Net Position are different because:</i>		
The net pension liability and net OPEB liability are not due and payable in the current period, and the net pension asset is not available for spending in the current period; therefore the asset, liability and related deferred inflows/outflows are not reported in governmental funds:		
Deferred Outflow of Resources - Pension	1,271,727	480,562
Deferred Outflow of Resources - OPEB	303,911	96,207
Deferred Inflow of Resources - Pension	-	(1,022,345)
Deferred Inflow of Resources - OPEB	(28,266)	(446,975)
Net Pension Liability	(2,919,738)	(843,939)
Net OPEB Liability	(85,706)	-
Net OPEB Asset	-	432,613
Capital Assets used in Governmental Activities are not financial resources and, therefore, are not reported in the funds:	<u>1,421,268</u>	<u>1,474,350</u>
Net Position of Governmental Activities	<u><u>\$56,572,523</u></u>	<u><u>\$51,473,059</u></u>

See accompanying notes to the basic financial statements

**NORTHEAST OHIO PUBLIC ENERGY COUNCIL
CUYAHOGA COUNTY**

*Statement of Revenues, Expenditures, and
Changes in Fund Balances – General Fund
For the Years Ended December 31, 2023 and 2022*

	2023	2022
Revenues:		
Management Fees	\$20,138,485	\$17,312,896
Interest	2,504,984	(1,255,532)
Miscellaneous	911,112	81,795
Total Revenues	<u>23,554,581</u>	<u>16,139,159</u>
Expenses:		
Current:		
Commercial Programs	46,000	174,647
Communication and Consulting Services	473,748	382,847
Community Sponsorships	290,625	302,750
Legal Fees	878,234	1,427,865
Information Tech and Support	80,524	92,591
Professional/Audit/Investment Fees	67,441	55,794
Federal Programs	25,436	0
Support for CRES	11,297,055	7,670,200
Marketing and Support Services	1,849,594	1,227,969
Sales Support	74,971	74,098
Office and Other General Administrative	308,869	258,572
Salaries and Benefits	2,705,633	2,540,361
Capital Outlay	-	73,134
Meetings/Travel	149,710	96,491
Total Expenditures	<u>18,247,840</u>	<u>14,377,319</u>
Excess of Revenues Over/(Under) Expenses	5,306,741	1,761,840
Fund Balance, Beginning of Year	<u>51,302,586</u>	<u>49,540,746</u>
Fund Balance, End of Year	<u><u>\$56,609,327</u></u>	<u><u>\$51,302,586</u></u>

See accompanying notes to the basic financial statements.

**NORTHEAST OHIO PUBLIC ENERGY COUNCIL
CUYAHOGA COUNTY**

*Reconciliation of the Statement of Revenues, Expenditures, and Changes
In Fund Balances of Governmental Funds to the Statement of Activities
For the Years Ended December 31, 2023 and 2022*

	<u>2023</u>	<u>2022</u>
Net Change in Fund Balances - Total Governmental Funds	\$5,306,741	\$1,761,840
<i>Amounts reported for Governmental Activities in the Statement of Activities are different because:</i>		
Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.		
Pension	261,995	214,499
OPEB	23,843	29,207
Except for amounts reported as deferred inflows/outflows, changes in the net pension/OPEB liability are reported as pension/OPEB expense in the statement of activities.		
Pension	(524,284)	11,174
OPEB	84,251	195,707
Government funds report capital outlays as expenditures. However, in the Statement of Activities, the costs of those assets are allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the respective period.		
Capital outlays	-	73,134
Depreciation	<u>(53,082)</u>	<u>(54,141)</u>
Change in Net Position of Governmental Activities	<u><u>\$5,099,464</u></u>	<u><u>\$2,231,420</u></u>

See accompanying notes to the basic financial statements.

**NORTHEAST OHIO PUBLIC ENERGY COUNCIL
CUYAHOGA COUNTY**

Notes to the Financial Statements
For the Years Ended December 31, 2023 and 2022

NOTE 1 DESCRIPTION OF THE ENTITY

The Northeast Ohio Public Energy Council, (NOPEC) is a regional council of governments established under Chapter 167 of the Ohio Revised Code. It consists of about 240 member communities (including municipal corporations, townships, counties, and regional council of governments, all of which are political subdivisions of the State of Ohio) from nineteen Ohio counties. NOPEC is governed by a General Assembly, made up of one representative from each member community. The representatives from each county elect one person to serve on the nineteen-member NOPEC Board of Directors. NOPEC, established under Ohio Revised Code Chapter 167, in 2000, was formed to serve as a vehicle for communities to proceed jointly with aggregation programs for the purchase of electricity and natural gas. NOPEC seeks to provide electricity and natural gas at the lowest possible rates while also ensuring stability in prices by pursuing long-term contracts with suppliers.

Reporting Entity: In evaluating how to define the governmental reporting entity, NOPEC complies with the provisions of GASB Statement No. 61, *The Financial Reporting Entity: Omnibus – an Amendment of GASB Statements No. 14 and No. 34*, under which the financial statements include all the organizations, activities, functions, and component units for which NOPEC (primary government) is financially accountable. Financial accountability is defined as the appointment of a voting majority of the component unit's board, and either 1) NOPEC's ability to impose its will over the component unit, or 2) the possibility that the component unit will provide a financial benefit to or impose a financial burden on NOPEC.

On this basis, NOPEC's financial reporting entity has no component units as part of NOPEC's primary government in the determination of NOPEC's reporting entity.

NOPEC's management believes these financial statements present all activities for which NOPEC is financially accountable.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of NOPEC have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of NOPEC's accounting policies are described below:

A. Basis of Presentation

NOPEC's basic financial statements consist of government-wide statements, which include a Statement of Net Position and a Statement of Activities, and fund financial statements, which provide a more detailed level of financial information.

Government-wide Financial Statements. The Statement of Net Position and the Statement of Activities display information about NOPEC as a whole. These statements include all the financial activities of NOPEC.

The Statement of Net Position presents the financial condition of the governmental activities of NOPEC at December 31, 2023 and 2022. The Statement of Activities presents a comparison between direct expenses and program revenues for each program or function of NOPEC's governmental activities. Program revenues include monies provided by the recipient of the services offered by the program. Revenues which are not classified as program revenues are presented as general revenues, with certain limited exceptions.

**NORTHEAST OHIO PUBLIC ENERGY COUNCIL
CUYAHOGA COUNTY**

Notes to the Financial Statements
For the Years Ended December 31, 2023 and 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The comparison of direct expenses with program revenues identifies the extent to which the governmental programs are self-financing or draw from the general revenues of NOPEC.

Fund Financial Statements. NOPEC segregates transactions related to certain functions or activities in separate funds to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of NOPEC at this more detailed level. The focus of governmental fund financial statements is on major funds. The major fund is presented in a separate column.

B. Fund Accounting

NOPEC uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. There are three categories of funds: governmental, proprietary and fiduciary.

Governmental Funds

Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following is NOPEC's only governmental fund:

General Fund - The general fund accounts for all financial resources.

C. Measurement Focus and Basis of Accounting

Government-wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of NOPEC are included on the Statement of Net Position.

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

**NORTHEAST OHIO PUBLIC ENERGY COUNCIL
CUYAHOGA COUNTY**

Notes to the Financial Statements
For the Years Ended December 31, 2023 and 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred inflows of resources and in the presentation of expenses versus expenditures.

Revenues - Exchange and Non-exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenues are recognized when both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. NOPEC generally considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end.

Expense/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period which the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures only when payment is due. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt are reported as other financing sources. Allocation of costs, such as depreciation and amortization, are not recognized in governmental funds.

D. Budgetary Process

NOPEC is not bound by the budgetary laws prescribed by the Ohio Revised Code. NOPEC does pass an annual budget preceding the fiscal year.

E. Cash and Investments

NOPEC invests in a variety of federal government securities through a separate investment account managed by several investment firms. Investments in these securities are valued at historical cost, plus interest posted, which is the amount the investments could be sold for on December 31, 2023 and 2022.

**NORTHEAST OHIO PUBLIC ENERGY COUNCIL
CUYAHOGA COUNTY**

Notes to the Financial Statements
For the Years Ended December 31, 2023 and 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Use of Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

G. Capital Assets

Capital assets result from expenditures in the governmental fund. These assets are reported in the governmental activities' column of the government-wide Statement of Net Position but are not reported in the fund financial statements. Capital assets are capitalized at cost using a threshold of \$10,000 and updated for additions and retirements during the year. Capital assets are depreciated using the straight-line method over 50 years for buildings and 5 years for equipment.

Cost for maintenance and repairs are expensed when incurred. However, costs for repairs and upgrading that materially add to the value of an asset and meet the above criteria are capitalized.

H. Accounts Payable, Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. Long-term obligations are recognized as a liability on the fund financial statements when due. Net pension/OPEB liability should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/OPEB plan's fiduciary net position is not sufficient for payment of those benefits.

I. Net Position

Net Position is the residual amount when comparing assets and deferred outflows of resources to liabilities and deferred inflows of resources. The net investment in capital assets component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on its use either through constitutional provisions or enabling legislation adopted by NOPEC or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

**NORTHEAST OHIO PUBLIC ENERGY COUNCIL
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Notes to the Financial Statements
For the Years Ended December 31, 2023 and 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Compensated Absences

NOPEC measures for the accrual for accumulated, unpaid vacation and sick leave earned using the termination payment method specified under GASB Statement No. 16, Accounting for Compensated Absences. Normally, all vacation time is to be taken in the year available unless approval for carryover is obtained. NOPEC employees also earn sick leave which, if not taken, accumulates until retirement. Upon retirement, an employee with ten or more years of service is paid 25% of accumulated sick leave, subject to certain limitations, calculated at current wage rates. As of December 31, 2023, and 2022, NOPEC employees did not have any significant carryover vacation or adequate service credit to be eligible for sick leave payout. Therefore, there is no accrual of compensated absences necessary.

K. Fund Balances

Fund balance is divided into five classifications based primarily on the extent to which NOPEC is bound to observe constraints imposed upon the use of the resources in the governmental fund. The classifications are as follows:

Nonspendable – The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash.

Restricted – Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or is imposed by law through constitutional provisions.

Committed – The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (resolution) of the NOPEC Board of Directors. Those committed amounts cannot be used for any other purpose unless the NOPEC Board of Directors removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned – Amounts in the assigned fund balance classification are intended to be used by NOPEC for specific purposes but do not meet the criteria to be classified as restricted or committed.

Unassigned – Unassigned fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications.

**NORTHEAST OHIO PUBLIC ENERGY COUNCIL
CUYAHOGA COUNTY**

Notes to the Financial Statements
For the Years Ended December 31, 2023 and 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

NOPEC applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used. NOPEC does not have any restricted, committed or assigned fund balances at December 31, 2023 and December 31, 2022.

L. Pensions

For purposes of measuring the net pension/OPEB liability, net pension asset, deferred outflows of resources and deferred inflow of resources related to pensions/OPEB, and pension/OPEB expense, information about the fiduciary net position of the pension/OPEB plans and additions to/deductions from their fiduciary net position have been determined on the same basis as they are reported by the pension/OPEB plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension/OPEB plans report investments at fair value.

M. Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position reports a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For NOPEC, deferred outflows of resources are reported on the statement of net position for pension and OPEB. The deferred outflows of resources related to pension and OPEB plans are explained in Notes 6 and 7.

In addition to liabilities, the Statements of Net Position reports a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For NOPEC, deferred inflows of resources are reported on the Statement of Net Position related to pension and OPEB. The deferred inflows of resources related to pension and OPEB plans are explained in Notes 6 and 7.

NOTE 3 REVENUES AND UNEARNED REVENUES

NOPEC is funded through administrative fees received from energy suppliers with which it contracts to provide aggregated electricity and natural gas services to its members. NOPEC does not receive any public funds in connection with its aggregation operations. In 2023, NOPEC received a grant of \$400,000 from the Small Business Administration to provide energy efficiency audits for small business customers in NOPEC member communities. There are reporting requirements in connection with this small business energy efficiency audit program.

For 2023 and 2022, NOPEC's administrative fees were based on the number and the respective utility consumption by its customers. Accounts receivable consist of billed but unpaid administrative fees.

**NORTHEAST OHIO PUBLIC ENERGY COUNCIL
CUYAHOGA COUNTY**

Notes to the Financial Statements
For the Years Ended December 31, 2023 and 2022

NOTE 4 EQUITY IN POOLED CASH AND INVESTMENTS AND CREDIT RISK

State statutes classify monies held by the NOPEC into three categories:

Active deposits are public deposits necessary to meet current demands on the treasury. Such monies must be maintained either as cash in the NOPEC treasury, in commercial accounts or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are public deposits that the Board has identified as not required for use within the current five-year period of designation of depositories. Inactive deposits must be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim monies may be deposited or invested in the following:

1. Bills, bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal or interest by the United States.
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities.
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days.
4. Bonds and other obligations of the State of Ohio.
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions.
6. The State Treasury Asset Reserve of Ohio investment pool (STAR Ohio).
7. High grade commercial paper for a period not to exceed 180 days in an amount not to exceed twenty-five percent of the NOPEC's interim monies available for investment; and
8. Bankers acceptances for a period not to exceed 180 days and in an amount not to exceed twenty-five percent of the NOPEC's interim monies available for investment.

**NORTHEAST OHIO PUBLIC ENERGY COUNCIL
CUYAHOGA COUNTY**

Notes to the Financial Statements
For the Years Ended December 31, 2023 and 2022

NOTE 4 EQUITY IN POOLED CASH INVESTMENTS AND CREDIT RISK (Continued)

NOPEC may also invest any monies not required to be used for a period of six months or more in the following:

1. Bonds of the State of Ohio.
2. Bonds of any municipal corporation, village, county, township, or other political subdivision of this State, as to which there is no default of principal, interest or coupons.
3. Obligations of NOPEC.

Protection of NOPEC's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the finance director by the financial institution or by a single collateral pool established by the financial institution to secure the repayment of all public moneys deposited with the institution.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of NOPEC and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions.

Deposits

The carrying amount of NOPEC's deposits totaled \$17,102,359 and \$15,488,402 and the bank balances totaled \$17,103,264 and \$15,493,895, as of December 31, 2023 and 2022, respectively. At December 31, 2023 and 2022, \$250,000 and \$250,000 of NOPEC's bank balances, respectively were insured by FDIC and \$16,853,264 and \$15,243,895, respectively, were uninsured and collateralized by a bank's pooled securities account. As such, securities were held by the pledging financial institutions' trust departments in NOPEC's name and all state statutory requirements for the investment of money had been followed. Noncompliance with federal requirements could potentially subject NOPEC to a successful claim by the Federal Deposit Insurance Corporation.

Custodial credit risk is the risk that, in the event of bank failure, NOPEC will not be able to recover deposits or collateral securities that are in the possession of an outside party. NOPEC has no deposit policy for custodial credit risk beyond the requirements of State statute. Ohio law requires that deposits be either insured or be protected by:

1. Eligible securities pledged to and deposited either with NOPEC or a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least one hundred five percent of the deposits being secured; or
2. Participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State. NOPEC's financial institution had enrolled in OPCS as of December 31, 2023.

**NORTHEAST OHIO PUBLIC ENERGY COUNCIL
CUYAHOGA COUNTY**

Notes to the Financial Statements
For the Years Ended December 31, 2023 and 2022

NOTE 4 EQUITY IN POOLED CASH INVESTMENTS AND CREDIT RISK (Continued)

Investments

As of December 31, 2023, and 2022, NOPEC had the following investments and maturities:

Investment Type	Credit Rating (Moody's)	Level of Input	12/31/2023 Measurement Value	Investment Maturity (in years)		
				<1	1-3	3-5
Money Market Funds	Aaa-mf	N/A	\$ 14,829	\$ 14,829	\$ -	\$ -
Certificate of Deposits	N/A	2	3,454,138	1,967,819	226,863	1,259,456
Commercial Paper	Aaa	2	195,408	195,408	-	-
U.S. Government Agency Obligations	Aaa	2	19,788,701	5,114,780	8,390,547	6,283,374
U.S. Treasury Bond	Aaa	2	339,542	-	339,542	-
U.S. Treasury Notes	Aaa	2	9,104,195	-	3,834,797	5,269,398
Municipal Bond	Aaa	2	1,827,892	262,069	1,565,823	-
Total Investments			<u>\$ 34,724,705</u>	<u>\$ 7,554,905</u>	<u>\$ 14,357,572</u>	<u>\$ 12,812,228</u>

Investment Type	Credit Rating (Moody's)	Level of Input	12/31/2022 Measurement Value	Investment Maturity (in years)		
				<1	1-3	3-5
Money Market Funds	Aaa-mf	N/A	\$ 82,817	\$ 82,817	\$ -	\$ -
Certificate of Deposits	N/A	2	5,407,973	2,753,251	1,922,557	732,165
U.S. Government Agency Obligations	Aaa	2	17,653,292	1,944,070	11,044,417	4,664,805
U.S. Treasury Notes	Aaa	2	8,763,108	3,584,403	1,475,825	3,702,880
Municipal Bond	Aaa	2	1,318,135	-	250,632	1,067,503
Total Investments			<u>\$ 33,225,325</u>	<u>\$ 8,364,541</u>	<u>\$ 14,693,431</u>	<u>\$ 10,167,353</u>

NOPEC's investment in money market funds are measured at net asset value per share, while all other investments are measured at fair value. Fair value is determined by quoted market prices and acceptable other pricing methodologies. NOPEC categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 inputs are significant unobservable inputs. The previous tables identify NOPEC's fair value measurements as of December 31, 2022, and 2021. NOPEC's remaining investments measured at fair value are valued using methodologies that incorporate market inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers and reference data including market research publications. Market indicators and industry and economic events are also monitored, which could require the need to acquire further market data (Level 2 inputs).

Interest Rate Risk: The Ohio Revised Code generally limits security purchases to those that mature within five years of the settlement date. Interest rate risk arises because potential purchasers of debt securities will not agree to pay face value for those securities if interest rates subsequently increase.

Custodial Credit Risk: For an investment, custodial risk is the risk that, in the event of the failure of the counterparty, NOPEC will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. NOPEC has no investment policy dealing with investment custodial risk beyond the requirement in Ohio law that prohibits payments for investments prior to the delivery of the securities representing such investments to the finance director or qualified trustee.

Credit Risk: NOPEC's investment credit ratings are summarized above. NOPEC's investments in certificates of deposit were fully insured by federal deposit insurance.

**NORTHEAST OHIO PUBLIC ENERGY COUNCIL
CUYAHOGA COUNTY**

Notes to the Financial Statements
For the Years Ended December 31, 2023 and 2022

NOTE 5 NET INVESTMENT IN CAPITAL ASSETS

Capital asset activity for the years ended December 31, 2023 and 2022 was as follows:

	Balance 1/1/2023	Additions	Disposals	Balance 12/31/2023
<u>Governmental Activities</u>				
<i>Capital Assets, Not being Depreciated:</i>				
Land	\$ 204,200	\$ -	\$ -	\$ 204,200
Total Capital Assets, Not being Depreciated	204,200	-	-	204,200
<i>Capital Assets, being Depreciated:</i>				
Buildings	1,302,256	-	-	1,302,256
Machinery and Equipment	362,627	-	-	362,627
Total Capital Assets Being Depreciated	1,664,883	-	-	1,664,883
Less Accumulated Depreciation:				
Buildings	(117,742)	(26,045)	-	(143,787)
Machinery and Equipment	(276,991)	(27,037)	-	(304,028)
Total Accumulated Depreciation	(394,733)	(53,082)	-	(447,815)
<i>Total Capital Assets, being Depreciated, Net</i>	1,270,150	(53,082)	-	1,217,068
Governmental Activities Capital Assets, Net	\$ 1,474,350	\$ (53,082)	\$ -	\$ 1,421,268
	Balance 1/1/2022	Additions	Disposals	Balance 12/31/2022
<u>Governmental Activities</u>				
<i>Capital Assets, Not being Depreciated:</i>				
Land	\$ 204,200	\$ -	\$ -	\$ 204,200
Total Capital Assets, Not being Depreciated	204,200	-	-	204,200
<i>Capital Assets, being Depreciated:</i>				
Buildings	1,302,256	-	-	1,302,256
Machinery and Equipment	289,493	73,134	-	362,627
Total Capital Assets Being Depreciated	1,591,749	73,134	-	1,664,883
Less Accumulated Depreciation:				
Buildings	(91,697)	(26,045)	-	(117,742)
Machinery and Equipment	(248,895)	(28,096)	-	(276,991)
Total Accumulated Depreciation	(340,592)	(54,141)	-	(394,733)
<i>Total Capital Assets, being Depreciated, Net</i>	1,251,157	18,993	-	1,270,150
Governmental Activities Capital Assets, Net	\$ 1,455,357	\$ 18,993	\$ -	\$ 1,474,350

Depreciation expense was fully allocated to the General Government function of the organization.

**NORTHEAST OHIO PUBLIC ENERGY COUNCIL
CUYAHOGA COUNTY**

Notes to the Financial Statements
For the Years Ended December 31, 2023 and 2022

NOTE 6 DEFINED BENEFIT PENSION PLANS

Net Pension Liability - OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM

The net pension liability reported on the statement of net position represents a liability to employees for pensions. Pensions are a component of exchange transactions – between and employer and its employees of salaries and benefits for employee services. Pensions are provided to an employee on a deferred-payment basis as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for pensions is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net pension liability represents NOPEC's proportionate share of the Traditional plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension plan's fiduciary net position. The net pension liability/asset calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknown future events require adjusting this estimate annually.

Ohio Revised Code limits NOPEC's obligation for this liability to annually required payments. NOPEC cannot control benefit terms or the manner in which pensions are financed; however, NOPEC does receive the benefit of employees' services in exchange for compensation including pension.

GASB 68 assumes the liability is solely the obligation of the employer, because 1) they benefit from employee services; and 2) State statute requires all funding to come from these employers. All contributions to date have come solely from these employers (which includes costs paid in the form of withholdings from employees). State statute requires the pension plans to amortize unfunded liabilities within 30 years. If the amortization period exceeds 30 years, each pension plan's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension liability. Resulting adjustments to the net pension liability would be effective when the changes are legally enforceable.

The proportionate share of the Traditional plan's unfunded benefits is presented as a long-term *net pension liability*. Any liability for the contractually required pension contribution outstanding at the end of the year is included in *accounts payable and accrued expenses*.

Plan Description

NOPEC employees participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a cost-sharing, multiple-employer defined benefit pension plan with defined contribution features. While members (e.g. NOPEC employees) may elect the member-directed plan and the combined plan, substantially all employee members are in OPERS' traditional plan; therefore, the following disclosure focuses on the traditional pension plan.

**NORTHEAST OHIO PUBLIC ENERGY COUNCIL
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Notes to the Financial Statements
For the Years Ended December 31, 2023 and 2022

NOTE 6 DEFINED BENEFIT PENSION PLANS (Continued)

OPERS provides retirement, disability, survivor and death benefits and annual cost of living adjustments to members of the traditional plan. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about OPERS's fiduciary net position that may be obtained by visiting <https://www.opers.org/financial/reports.shtml>, by writing to Ohio Public Employees Retirement System, 277 E. Town St., Columbus, OH 43215-4642 or by calling (800) 222-7377.

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members were categorized into three groups with varying provisions of the law applicable to each group. The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the traditional plan as per the reduced benefits adopted by SB 343 (see OPERS ACFR referenced above for additional information including requirements for reduced and unreduced benefits):

Group A Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	Group B 20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	Group C Members not in other Groups and members hired on or after January 7, 2013
State and Local	State and Local	State and Local
Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 62 with 60 months of service credit or Age 57 with 25 years of service credit
Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Formula: 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35

Final Average Salary (FAS) represents the average of the three highest years of earnings over a member's career for Groups A and B. Group C is based on the average of the five highest years of earnings over a member's career.

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount. The base amount of a member's pension benefit is locked in upon receipt of the initial benefit payment for calculation of the annual cost-of-living adjustment.

When a traditional plan benefit recipient has received benefits for 12 months, an annual cost of living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those retiring prior to January 7, 2013, the COLA will continue to be a 3 percent simple annual COLA. For those retiring after January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3 percent. Cost-of-living adjustments for OPERS members in 2022 will be 3 percent for all those eligible to receive the annual benefit increase.

A death benefit of \$500 - \$2,500, determined by the number of years of service credit of the retiree, is paid to the beneficiary of a deceased retiree or disability benefit recipient under the Tradition pension plan and the Combined Plan.

**NORTHEAST OHIO PUBLIC ENERGY COUNCIL
CUYAHOGA COUNTY**

Notes to the Financial Statements
For the Years Ended December 31, 2023 and 2022

NOTE 6 DEFINED BENEFIT PENSION PLANS (Continued)

Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. Member-directed plan and combined plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the combined plan consists of the members' contributions plus or minus the investment gains or losses resulting from the members' investment selections. Combined plan members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans. Member-directed participants must have attained the age of 55, have money on deposit in the defined contribution plan and have terminated public service to apply for retirement benefits. The amount available for defined contribution benefits in the member-directed plan consists of the members' contributions, vested employer contributions and investment gains or losses resulting from the members' investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20 percent each year. At retirement, members may select one of several distribution options for payment of the vested balance in their individual OPERS accounts. Options include the purchase of a monthly defined benefit annuity from OPERS (which includes joint and survivor options), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of entire account balance, net of taxes withheld, or a combination of these options.

Beginning in 2022, the combined plan was consolidated under the traditional pension plan (defined benefit plan) and the combined plan is no longer available for new hires beginning in 2022.

Funding Policy – The Ohio Revised Code (ORC) provides statutory authority for member and employer contributions as follows:

	State and Local
2023 Statutory Maximum Contribution Rates	
Employer	14.0 %
Employee *	10.0 %
 2023 Actual Contribution Rates	
Employer:	
Pension **	14.0 %
Post-Employment Health Care Benefits **	0.0
Total Employer	<u>14.0 %</u>
 Employee	<u>10.0 %</u>

* Member contributions within combined plan are not used to fund the defined benefit retirement allowance

** These pension and employer health care rates are for the traditional plan. Beginning July 1, 2022, the employer contribution rate for the combined plan is allocated 2 percent health care with the remainder going to pension. The employer contributions rate for the member-directed plan allocated 4 percent for health care with remainder going to pension.

**NORTHEAST OHIO PUBLIC ENERGY COUNCIL
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Notes to the Financial Statements
For the Years Ended December 31, 2023 and 2022

NOTE 6 DEFINED BENEFIT PENSION PLANS (Continued)

The portion of employer contributions used to fund pension benefits is net of postemployment health care benefits. The portion of the employer's contribution allocated to health care was 0% for 2023 for the Traditional plan. The portion of the employer's contribution allocated to health care was 2% for the Combined plan and 4% for the Member-Directed plan for 2023. Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. NOPEC's contractually required contributions was \$261,995 for fiscal year ending December 31, 2023, and \$214,499 for fiscal year ending December 31, 2022.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The net pension liability for OPERS was measured as of December 31, 2022, and December 31, 2021, and the total pension liability used to calculate the net pension liability was determined by and actuarial valuation as of those dates. NOPEC's proportion of the net pension liability was based on NOPEC's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	2023	2022
Proportion of the Net Pension Liability		
Prior Measurement Date	0.009700%	0.008839%
Proportion of the Net Pension Liability		
Current Measurement Date	0.009884%	0.009700%
Change in Proportionate Share	0.000184%	0.000861%
Proportionate Share of the Net Pension Liability	\$2,919,738	\$843,939
Pension Expense	\$524,284	(\$11,174)

At December 31, 2023, and December 31, 2022, NOPEC reported deferred outflows of resources and deferred inflow of resources related to pensions from the following sources:

	2023	2022
Deferred Outflows of Resources		
Net difference between projected and actual earnings on pension plan investments	\$ 832,216	\$ -
Differences between expected and actual experience	96,982	43,023
Changes of assumptions	30,844	105,534
Changes in proportion and differences between NOPEC contributions and proportionate share of contributions	49,690	117,506
NOPEC contributions subsequent to the measurement date	261,995	214,499
Total Deferred Outflows of Resources	<u>\$ 1,271,727</u>	<u>\$ 480,562</u>
Deferred Inflows of Resources		
Net difference between projected and actual earnings on pension plan investments	\$ -	\$ 1,003,835
Differences between expected and actual experience	-	18,510
Total Deferred Inflows of Resources	<u>\$ -</u>	<u>\$ 1,022,345</u>

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NOTE 6 DEFINED BENEFIT PENSION PLANS (Continued)

\$261,995 reported deferred outflows of resources related to pension resulting from NOPEC contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending December 31:	
2024	\$156,479
2025	200,613
2026	244,962
2027	407,678
Total	<u>\$1,009,732</u>

Actuarial Assumptions – OPERS

Actuarial valuations of an ongoing plan involve estimates of the values of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and cost trends. Actuarially determined amounts are subject to continual review or modification as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability in the December 31, 2022, actuarial valuation was determined using the following actuarial assumptions, applied to all prior periods included in the measurement in accordance with the requirements of GASB 67. Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, are presented below:

	<u>Traditional Pension Plan</u>
Wage Inflation	
Current Measurement Date:	2.75 percent
Prior Measurement Date:	2.75 percent
Future Salary Increases, including inflation	
Current Measurement Date:	2.75 to 10.75 percent including wage inflation
Prior Measurement Date:	2.75 to 10.75 percent including wage inflation
COLA or Ad Hoc COLA	
Pre 1/7/2013 retirees:	3 percent, simple
Post 1/7/2013 retirees:	
Current Measurement Date:	3 percent, simple through 2023, then 2.05 percent simple
Prior Measurement Date:	3 percent, simple through 2022, then 2.05 percent simple
Investment Rate of Return	
Current Measurement Date:	6.9 percent
Prior Measurement Date:	6.9 percent
Actuarial Cost Method	Individual Entry Age

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NOTE 6 DEFINED BENEFIT PENSION PLANS (Continued)

Pre-retirement mortality rates are based on 130% of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170% of the Pub-2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement divisions. Post-retirement mortality rates are based on 115% of the PubG-2010 Retiree Mortality Tables (males and females) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all of the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all of these tables.

The most recent experience study was completed for the five-year period ended December 31, 2020.

OPERS manages investments in three investment portfolios: the Defined Benefits portfolio, the Health Care portfolio, and the Defined Contribution portfolio. The Defined Benefit portfolio includes the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan, the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money weighted rate of return expressing investment performance, net of investments expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was a loss of 12.1 percent for 2022 and a gain of 15.3 percent for 2021.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The long-term expected rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of the geometric real rates of return were provided by the Board's investment consultant. For each major asset class that is included in the Defined Benefit portfolio's target asset allocation as of December 31, 2022, these best estimates are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Weighted Average Long-Term Expected Real Rate of Return (Geometric)</u>
Fixed Income	22.00 %	2.62 %
Domestic Equities	22.00	4.60
Real Estate	13.00	3.27
Private Equity	15.00	7.53
International Equities	21.00	5.51
Risk Parity	2.00	4.37
Other investments	5.00	3.27
Total	<u>100.00 %</u>	

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NOTE 6 DEFINED BENEFIT PENSION PLANS (Continued)

Discount Rate: The discount rate used to measure the total pension liability was 6.9 percent for 2021 and 7.2 percent for 2020, post-experience study results. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of NOPEC's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate: The following table presents NOPEC's proportionate share of the net pension liability calculated using the current period discount rate assumption, as well as what NOPEC's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower or one-percentage-point higher than the current rate:

	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
NOPEC's proportionate share of the net pension liability	\$4,373,670	\$2,919,738	\$1,710,327

NOTE 7 DEFINED BENEFIT OPEB PLANS

Net OPEB Asset – Ohio Public Employees Retirement System

The net OPEB liability/asset reported on the statement of net position represents a liability/asset to employees for OPEB. OPEB is a component of exchange transactions - between an employer and its employee - of salaries and benefits for employee services. OPEB are provided to an employee - on a deferred-payment basis - as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for OPEB is a present obligation because it was created because of employment exchanges that already have occurred.

The net OPEB liability/asset represents NOPEC's proportionate share of each OPEB plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each OPEB plan's fiduciary net position. The net OPEB liability calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting these estimates annually.

Ohio Revised Code limits NOPEC's obligation for this liability to annually required payments. NOPEC cannot control benefit terms or the manner in which OPEB are financed; however, NOPEC does receive the benefit of employees' services in exchange for compensation including OPEB.

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NOTE 7 DEFINED BENEFIT OPEB PLANS (Continued)

GASB 75 assumes the liability is solely the obligation of the employer, because they benefit from employee services. OPEB contributions come from these employers and health care plan enrollees which pay a portion of the health care costs in the form of a monthly premium. The Ohio Revised Code permits, but does not require, the retirement systems to provide healthcare to eligible benefit recipients. Any change to benefits or funding could significantly affect the net OPEB liability. Resulting adjustments to the net OPEB liability would be effective when the changes are legally enforceable. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

The proportionate share of each plan's unfunded benefits is presented as a long-term *net OPEB liability*. Any liability for the contractually required OPEB contribution outstanding at the end of the year is included in *accounts payable and accrued expenses*.

Plan Description

The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the traditional pension plan, a cost-sharing, multiple-employer defined benefit pension plan; the member-directed plan, a defined contribution plan; and the combined plan, a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan. Effective January 1, 2022 the Combined Plan is no longer available for member selection.

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement to qualifying benefit recipients of both the traditional pension and the combined plans. This trust is also used to fund health care for member-directed plan participants, in the form of a Retiree Medical Account (RMA). At retirement or refund, member directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

Currently, Medicare-eligible retirees can select medical and prescription drug plans from a range of options and may elect optional vision and dental plans. Retirees and eligible dependents enrolled in Medicare Parts A and B have the option to enroll in a Medicare supplemental plan with the assistance of the OPERS Medicare Connector. The OPERS Medicare Connector is a relationship with a vendor selected by OPERS to assist retirees, spouses, and dependents with selecting a medical and pharmacy plan. Monthly allowances, based on years of service and the age at which the retiree first enrolled in OPERS coverage, are deposited into an HRA.

For non-Medicare retirees and eligible dependents, OPERS sponsors medical and prescription coverage through a professionally managed self-insured plan. An allowance to offset a portion of the monthly premium is offered to retirees and eligible dependents. The allowance is based on the retiree's years of service and age when they first enrolled in OPERS coverage.

The base HRA allowance is determined by OPERS. Retirees receive a percentage of the base allowance, calculated based on years of qualifying service credit and age when the retiree first enrolled in OPERS health care. Monthly allowances range between 51 percent and 90 percent of the base allowance.

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Notes to the Financial Statements
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NOTE 7 DEFINED BENEFIT OPEB PLANS (Continued)

OPERS members enrolled in the Traditional Pension Plan or Combined Plan retiring with an effective date of January 1, 2022 or after must meet the following health care eligibility requirements to receive an HRA allowance:

1. **Medicare Retirees** – Medicare-eligible with a minimum of 20 years of qualifying service credit.
2. **Non-Medicare Retirees** – Non-Medicare retirees qualify based on the following age-and-service criteria:
 - a. Group A – 30 years of qualifying service credit at any age;
 - b. Group B – 32 years of qualifying service credit at any age or 31 years of qualifying service credit and minimum age 52;
 - c. Group C – 32 years of qualifying service credit and minimum age 55; or,
 - d. A retiree from groups A, B or C who qualifies for an unreduced pension, but a portion of their service credit is not health care qualifying service, can still qualify for health care at age 60 if they have at least 20 years of qualifying health care service credit.

Retirees who do not meet the requirement for coverage as a non-Medicare participant can become eligible for coverage at age 65 if they have at least 20 years of qualifying service. Members with a retirement date prior to January 1, 2022 who were eligible to participate in the OPERS health care program will continue to be eligible after January 1, 2022, as summarized in the following table:

Retirement Date	Group A		Group B		Group C	
	Age	Service	Age	Service	Age	Service
December 1, 2014 or Prior	Any	10	Any	10	Any	10
January 1, 2015 through December 31, 2021	60	20	52	31	55	32
	Any	30	60	20	60	20

The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 75. See OPERS' ACFR referenced below for additional information.

The Ohio Revised Code permits, but does not require OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the Board in Chapter 145 of the Ohio Revised Code.

Disclosures for the health care plan are presented separately in the OPERS financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/financialreports.shtml> or by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 614-222-5601 or 800-222-7377.

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NOTE 7 DEFINED BENEFIT OPEB PLANS (Continued)

Funding Policy - The Ohio Revised Code provides the statutory authority requiring public employers to fund postemployment health care through their contributions to OPERS. When funding is approved by OPERS Board of Trustees, a portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans.

Employer contribution rates are expressed as a percentage of covered payroll. In 2023, state and local employers contributed at a rate of 14.0 percent of earnable salary and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2023, OPERS did not allocate employer contributions to health care for members in the Traditional Pension Plan. Effective July 1, 2022, OPERS began allocating 2.0 percent of the employer contribution rate to health care funding for the Combined Plan. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the Member-Directed Plan for 2023 was 4.0 percent.

Employer contribution rates are actuarially determined and expressed as a percentage of covered payroll. NOPEC's contractually required contributions for 2023 and 2022 were \$23,843 and \$29,207 respectively.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The net OPEB liability and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2021, rolled forward to the measurement date of December 31, 2022, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. NOPEC's proportion of the net OPEB liability was based on NOPEC's share of contributions to the retirement plan relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	2023	2022
Proportion of the Net OPEB Asset		
Prior Measurement Date	0.013812%	0.012893%
Proportion of the Net OPEB Asset		
Current Measurement Date	0.013593%	0.013812%
Change in Proportionate Share	<u>-0.000219%</u>	<u>0.000919%</u>
Proportionate Share of the Net OPEB Liability/(Asset)	\$85,706	(\$432,613)
OPEB Expense	(\$84,251)	(\$195,707)

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NOTE 7 DEFINED BENEFIT OPEB PLANS (Continued)

At December 31, 2023, and December 31, 2022, NOPEC reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	2023	2022
Deferred Outflows of Resources		
Net difference between projected and actual earnings on OPEB plan investments	\$ 170,218	\$ -
Changes of assumptions	83,712	-
Changes in proportion and differences between NOPEC contributions and proportionate share of contributions	26,138	67,000
NOPEC contributions subsequent to the measurement date	<u>23,843</u>	<u>29,207</u>
Total Deferred Outflows of Resources	<u>\$ 303,911</u>	<u>\$ 96,207</u>
Deferred Inflows of Resources		
Differences between expected and actual experience	\$ 21,378	\$ 65,621
Changes of assumptions	6,888	175,116
Net difference between projected and actual earnings on OPEB plan investments	<u>-</u>	<u>206,238</u>
Total Deferred Inflows of Resources	<u>\$ 28,266</u>	<u>\$ 446,975</u>

\$23,843 reported as deferred outflows of resources related to OPEB resulting from NOPEC contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending December 31:	
2024	\$48,449
2025	68,043
2026	53,080
2027	<u>82,230</u>
Total	<u>\$251,802</u>

Actuarial Assumptions – OPERS

Actuarial valuations of an ongoing plan involve estimates of the values of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and cost trends. Actuarially determined amounts are subject to continual review or modification as actual results are compared with past expectations and new estimates are made about the future.

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NOTE 7 DEFINED BENEFIT OPEB PLANS (Continued)

Projections of benefits for financial reporting purposes are based on the substantive plan and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2021, rolled forward to the measurement date of December 31, 2022. The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

Wage Inflation	
Current Measurement Date:	2.75 percent
Prior Measurement Date:	2.75 percent
Projected Salary Increases, including inflation	
Current Measurement Date:	2.75 to 10.75 percent, including wage inflation
Prior Measurement Date:	2.75 to 10.75 percent, including wage inflation
Single Discount Rate:	
Current Measurement Date:	5.22 percent
Prior Measurement Date:	6.00 percent
Investment Rate of Return	6.00 percent
Municipal Bond Rate	
Current Measurement Date:	4.05 percent
Prior Measurement Date:	1.84 percent
Health Care Cost Trend Rate	
Current Measurement Date:	5.50 percent initial, 3.50 percent ultimate in 2036
Prior Measurement Date:	5.50 percent initial, 3.50 percent ultimate in 2034

Pre-retirement mortality rates are based on 130% of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170% of the Pub-2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement divisions. Post-retirement mortality rates are based on 115% of the PubG-2010 Retiree Mortality Tables (males and females) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all of the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all of these tables.

The most recent experience study was completed for the five-year period ended December 31, 2020.

During 2022, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, contributions into the plans are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made, and health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio was a loss of 15.6 percent for 2022.

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NOTE 7 DEFINED BENEFIT OPEB PLANS (Continued)

The allocation of investment assets with the Health Care portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS' primary goal is to achieve and maintain a fully funded status for the benefits provided through the defined pension plans. Health care is a discretionary benefit. The long-term expected rate of return on health care investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. The table below displays the Board-approved asset allocation policy for 2021 and the long-term expected real rates of return:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed Income	34.00 %	2.56 %
Domestic Equities	26.00	4.60
Real Estate Investment Trust	7.00	4.70
International Equities	25.00	5.51
Risk Parity	2.00	4.37
Other investments	6.00	1.84
Total	<u>100.00 %</u>	

Discount Rate: A single discount rate of 5.22 percent was used to measure the OPEB liability on the measurement date of December 31, 2022. A single discount rate of 6.00 percent was used to measure the OPEB asset on the measurement date of December 31, 2021. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00 percent and a municipal bond rate of 4.05 percent. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2054. As a result, the long-term expected rate of return on health care investments was applied to projected costs through the year 2054, And the municipal bond rate was applied to all health care costs after that date.

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NOTE 7 DEFINED BENEFIT OPEB PLANS (Continued)

Sensitivity of NOPEC's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate: The following table presents the NOPEC's proportionate share of the net OPEB liability calculated using the single discount rate of 5.22 percent, as well as what the NOPEC's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (4.22 percent) or one-percentage-point higher (6.22) than the current rate:

	1% Decrease (4.22%)	Discount Rate (5.22%)	1% Increase (6.22%)
NOPEC's proportionate share of the net net OPEB asset	\$291,706	\$85,706	(\$84,277)

Sensitivity of NOPEC's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate: Changes in the health care cost trend rate may also have a significant impact on the net OPEB liability. The following table presents the net OPEB liability calculated using the assumed trend rates, and the expected net OPEB liability if it were calculated using a health care cost trend rate that is 1.0 percent lower or 1.0 percent higher than the current rate.

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2023 is 5.5 percent. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is that in the not-too-distant future, the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50 percent in the most recent valuation.

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
NOPEC's proportionate share of the net OPEB asset	\$80,335	\$85,706	\$91,753

NOTE 8 RISK MANAGEMENT AND CONTINGENCIES

NOPEC is exposed to various risks of loss. For 2023 and 2022, NOPEC contracted with the Hylant Group for various types of liability insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years and there were no significant reductions in coverage from the prior year.

NOTE 9 RELATED PARTY TRANSACTIONS

In 2007, NOPEC authorized the creation of NOPEC, Inc., a not-for-profit corporation which could in the future be certified to serve as the CRES supplier for NOPEC's electric and gas aggregation programs. NOPEC funded Grants to NOPEC, Inc. in 2023 and 2022 totaling \$11,297,055 and \$7,670,200, respectively.

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NOTE 10 PREPAID EXPENSES

Prepaid expenses consist primarily of short-term payroll related expenses and other subscriptions related to the following year.

NOTE 11 CHANGES IN ACCOUNTING PRINCIPLES

During the year, NOPEC implemented the following Governmental Accounting Standards Board (GASB) Statements and Implementation Guides:

GASB Implementation Guide 2021-1 provides clarification on issues related to previously established GASB guidance. The implementation of GASB Implementation Guide 2021-1 did not have an effect on the financial statements of NOPEC.

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). The implementation of this Statement did not have an effect on the financial statements of NOPEC.

GASB Statement No. 99, *Omnibus 2022*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The implementation of this Statement did not have an effect on the financial statements of NOPEC.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. The implementation of this Statement did not have an effect on the financial statements of NOPEC.

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CUYAHOGA COUNTY**
Required Supplementary Information
Schedule of NOPEC's Proportionate Share of the Net Pension Liability
Ohio Public Employees Retirement System
Last Ten Years

Traditional Plan	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
NOPEC's Proportion of the Net Pension Liability	0.009884%	0.009700%	0.008839%	0.008596%	0.007913%	0.006993%	0.006513%	0.005132%	0.004443%	0.004443%
NOPEC's Proportionate Share of the Net Pension Liability	\$ 2,919,738	\$ 843,939	\$ 1,308,863	\$ 1,699,058	\$ 2,167,210	\$ 1,097,066	\$ 1,478,992	\$ 888,927	\$ 535,875	\$ 523,772
NOPEC's Covered Payroll	\$ 1,532,136	\$ 1,407,814	\$ 1,244,936	\$ 1,209,429	\$ 1,068,736	\$ 924,131	\$ 841,925	\$ 638,675	\$ 544,700	\$ 484,354
NOPEC's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	190.57%	59.95%	105.13%	140.48%	202.78%	118.71%	175.67%	139.18%	98.38%	108.14%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.74%	92.62%	86.88%	82.17%	74.70%	84.66%	77.25%	81.08%	86.45%	86.36%

Amounts presented as of the NOPEC's measurement date which is the prior year end.

See accompanying notes to the required supplementary information

**NORTHEAST OHIO PUBLIC ENERGY COUNCIL
CUYAHOGA COUNTY**

Required Supplementary Information
Schedule of NOPEC's Contributions - Pension
Ohio Public Employees Retirement System
Last Ten Years

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contributions	\$ 261,995	\$ 214,499	\$ 197,094	\$ 174,291	\$ 169,320	\$ 149,623	\$ 120,137	\$ 101,031	\$ 76,641	\$ 65,364
Contributions in Relation to the Contractually Required Contribution	<u>(261,995)</u>	<u>(214,499)</u>	<u>(197,094)</u>	<u>(174,291)</u>	<u>(169,320)</u>	<u>(149,623)</u>	<u>(120,137)</u>	<u>(101,031)</u>	<u>(76,641)</u>	<u>(65,364)</u>
Contribution Deficiency / (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
NOPEC's Covered Payroll	\$ 1,871,393	\$ 1,532,136	\$ 1,407,814	\$ 1,244,936	\$ 1,209,429	\$ 1,068,736	\$ 924,131	\$ 841,925	\$ 638,675	\$ 544,700
Pension Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	13.00%	12.00%	12.00%	12.00%

See accompanying notes to the required supplementary information

NORTHEAST OHIO PUBLIC ENERGY COUNCIL
CUYAHOGA COUNTY
Required Supplementary Information
Schedule of NOPEC's Proportionate Share of the Net OPEB Liability
Ohio Public Employees Retirement System
Last Seven Years

	2023	2022	2021	2020	2019	2018	2017
NOPEC's Proportion of the Net OPEB Liability/Asset	0.013593%	0.013812%	0.012893%	0.011988%	0.009175%	0.007220%	0.006740%
NOPEC's Proportionate Share of the Net OPEB Liability/(Asset)	\$ 85,706	\$ (432,613)	\$ (229,699)	\$ 1,655,854	\$ 1,196,203	\$ 784,039	\$ 680,763
NOPEC's Covered Payroll	\$ 2,262,314	\$ 2,153,764	\$ 1,949,892	\$ 1,811,104	\$ 1,330,743	\$ 1,022,674	\$ 931,707
NOPEC's Proportionate Share of the Net OPEB Liability/Asset as a Percentage of its Covered Payroll	3.79%	-20.09%	-11.78%	91.43%	89.89%	76.67%	73.07%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability/Asset	94.79%	128.23%	115.57%	47.80%	46.33%	54.14%	54.04%

(1) Information prior to 2017 is not available. Schedule is intended to show ten years of information, and additional years' will be displayed as it becomes available.

Amounts presented as of the NOPEC's measurement date, which is the prior calendar year end.

See accompanying notes to the required supplementary information

**NORTHEAST OHIO PUBLIC ENERGY COUNCIL
CUYAHOGA COUNTY**

Required Supplementary Information
Schedule of NOPEC's Contributions - OPEB
Ohio Public Employees Retirement System
Last Nine Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contribution	\$ 23,843	\$ 29,207	\$ 29,838	\$ 28,198	\$ 24,067	\$ 10,480	\$ 13,183	\$ 20,430	\$ 12,773
Contributions in Relation to the Contractually Required Contribution	(23,843)	(29,207)	(29,838)	(28,198)	(24,067)	(10,480)	(13,183)	(20,430)	(12,773)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
NOPEC Covered Payroll	\$ 2,467,474	\$ 2,262,314	\$ 2,153,764	\$ 1,949,892	\$ 1,811,104	\$ 1,330,743	\$ 1,022,674	\$ 931,707	\$ 727,074
Contributions as a Percentage of Covered Payroll	0.97%	1.29%	1.39%	1.45%	1.33%	0.79%	1.29%	2.19%	1.76%

(1) Information prior to 2015 is not available. Schedule is intended to show ten years of information, and additional years' will be displayed as it becomes available.

See accompanying notes to the required supplementary information

NORTHEAST OHIO PUBLIC ENERGY COUNCIL CUYAHOGA COUNTY

Notes to the Required Supplementary Information For the Year Ended December 31, 2023

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Net Pension Liability

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for 2014-2023.

Changes in assumptions: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2014-2016 and 2018. For 2017, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the expected investment return was reduced from 8.00% to 7.50%, (b) the expected long-term average wage inflation rate was reduced from 3.75% to 3.25%, (c) the expected long-term average price inflation rate was reduced from 3.00% to 2.50%, (d) Rates of withdrawal, retirement and disability were updated to reflect recent experience, (e) mortality rates were updated to the RP-2014 Health Annuitant Mortality Table, adjusted for mortality improvement back to the observant period base year of 2006 and then established the base year as 2015 (f) mortality rates used in evaluating disability allowances were updated to the RP-2014 Disabled Mortality tables, adjusted for mortality improvement back to the observation base year of 2006 and a base year of 2015 for males and 2010 for females (g) Mortality rates for a particular calendar year for both healthy and disabled retiree mortality tables are determined by applying the MP-2015 mortality improvement scale to the above described tables. For 2019, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the expected investment return was reduced from 7.50% to 7.20%. For 2020, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the cost-of-living adjustments for post-1/7/2013 retirees were reduced from 3.00% simple through 2018 to 1.40% simple through 2020, then 2.15% simple. For 2021, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the cost-of-living adjustments for post-1/7/2013 retirees were reduced from 1.40% simple through 2020 to 0.50% simple through 2021, then 2.15% simple. For 2022, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the expected long-term average wage inflation rate was reduced from 3.25% to 2.75% (b) the cost-of-living adjustments for post-1/7/2013 retirees were increased from 0.50% simple through 2021 to 3.00% simple through 2022, then 2.05% simple (c) the expected investment return was reduced from 7.20% to 6.90%. There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2023.

Net OPEB Liability

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for 2018-2023.

Changes in assumptions: For 2018, the single discount rate changed from 4.23% to 3.85%. For 2019, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the expected investment return was reduced from 6.50% to 6.00% (b) In January 2019, the Board adopted changes to health care coverage for Medicare and pre-Medicare retirees. It will include discontinuing the PPO plan for pre-Medicare retirees and replacing it with a monthly allowance to help participants pay for a health care plan of their choosing. The base allowance for Medicare eligible retirees will be reduced. The specific effect of these changes on the net OPEB liability and OPEB expense are unknown at this time (c) the single discount rate changed from 3.85% to 3.96%. For 2020, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the single discount rate changed from 3.96% to 3.16%. For 2021, the following changes of assumptions affected the total OPEB liability since

**NORTHEAST OHIO PUBLIC ENERGY COUNCIL
CUYAHOGA COUNTY**

Notes to the Required Supplementary Information
For the Year Ended December 31, 2023

the prior measurement date: (a) the single discount rate changed from 3.16% to 6.00% (b) the municipal bond rate changed from 2.75% to 2.00% (c) the health care cost trend rate changed from 10.50% initial and 3.50% ultimate in 2030 to 8.50% initial and 3.50% ultimate in 2035. For 2022, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the expected long-term average wage inflation rate was reduced from 3.25% to 2.75%. (b) the municipal bond rate changed from 2.00% to 1.84% (c) the health care cost trend rate changed from 8.50% initial and 3.50% ultimate in 2035 to 5.50% initial and 3.50% ultimate in 2034. For 2023, the following changes in assumptions affected the total OPEB liability since the prior measurement date: (a) the single discount rate changed from 6.00% to 5.22% (b) the municipal bond rate changed from 1.84% to 4.05% (c) the health care cost trend rate changed from 5.50% initial and 3.50% ultimate in 2034 to 5.50% initial and 3.50% ultimate in 2036.

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OHIO AUDITOR OF STATE KEITH FABER

65 East State Street
Columbus, Ohio 43215
ContactUs@ohioauditor.gov
800-282-0370

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY GOVERNMENT AUDITING STANDARDS

Northeast Ohio Public Energy Council
Cuyahoga County
31360 Solon Road, Suite 33
Solon, Ohio 44139

To the Board of Directors:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities and the General Fund of the Northeast Ohio Public Energy Council, Cuyahoga County, Ohio (the Council) as of and for the years ended December 31, 2024, 2023 and 2022, and the related notes to the financial statements, which collectively comprise the Council's basic financial statements and have issued our report thereon dated January 9, 2026.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Council's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control. Accordingly, we do not express an opinion on the effectiveness of the Council's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Council's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Efficient • Effective • Transparent

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Council's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Council's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Council's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

KEITH FABER
Ohio Auditor of State



Tiffany L. Ridenbaugh, CPA, CFE, CGFM
Chief Deputy Auditor

January 9, 2026

OHIO AUDITOR OF STATE KEITH FABER



NORTHEAST OHIO PUBLIC ENERGY COUNCIL

CUYAHOGA COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



Certified for Release 1/22/2026

65 East State Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at
www.ohioauditor.gov

County	Account Name	Electric	Since	Address 1
Ashtabula	Andover Township	Yes	2/1/2001	410 East Main St. Andover Township, OH 44003
Ashtabula	Ashtabula	Yes	9/1/2000	Municipal Bldg, 1st Floor, 4717 Main St Ashtabula, OH 44004
Ashtabula	Ashtabula County	Yes	9/1/2000	25 W. Jefferson St Jefferson, OH 44047
Ashtabula	Ashtabula Township	Yes	2/1/2001	2718 North Ridge Road East Ashtabula, OH 44004
Ashtabula	Austinburg Township	Yes	2/1/2001	P.O. Box 134 Austinburg, OH 44010
Ashtabula	Cherry Valley Township	Yes	2/1/2001	4045 Russell Rd Cherry Valley Township, OH 44032
Ashtabula	Colebrook Township	Yes	2/1/2001	7569 SR 46, Orwell Colebrook Township, OH 44076
Ashtabula	Conneaut	Yes	10/1/2001	294 Main Street Conneaut, OH 44030
Ashtabula	Denmark Township	Yes	2/1/2001	42 Clay Road Jefferson, OH 44047
Ashtabula	Dorset Township	Yes	2/1/2001	2561 SR 193 Dorset Township, OH 44032
Ashtabula	Geneva	Yes	8/1/2002	44 North Forest Street Geneva, OH 44041
Ashtabula	Geneva Township	Yes	2/1/2001	256 North Cedar Street Geneva, OH 44041-0670
Ashtabula	Geneva-on-the-Lake	Yes	10/1/2015	4929 South Warner Drive Geneva-on-the-Lake, OH 44041
Ashtabula	Harpersfield Township	Yes	2/1/2001	4858 Cork-Cold Springs Road Geneva, OH 44041
Ashtabula	Hartsgrove Township	Yes	2/1/2001	5321 SR 534 S. Hartsgrove Township, OH 44085
Ashtabula	Jefferson	Yes	10/1/2001	27 East Jefferson Street Jefferson, OH 44047
Ashtabula	Jefferson Township	Yes	2/1/2001	335 E. Erie St. Jefferson Township, OH 44047
Ashtabula	Kingsville Township	Yes	2/1/2001	5890 Cemetery Road Kingsville Township, OH 44048

County	Account Name	Electric	Since	Address 1
Ashtabula	Lenox Township	Yes	2/1/2001	PO Box 423 Lenox Township, OH 44047
Ashtabula	Monroe Township	Yes	2/1/2001	2650 SR 7 North Pierpont, OH 44082
Ashtabula	Morgan Township	Yes	2/1/2001	PO Box 245 Rock Creek, OH 44084
Ashtabula	New Lyme Township	Yes	2/1/2001	4672 Lenox New Lyme Rd Jefferson, OH 44047
Ashtabula	North Kingsville	Yes	10/1/2001	3541 East Center Steet North Kingsville, OH 44068
Ashtabula	Orwell	Yes	8/1/2000	179 West Main Street Orwell, OH 44076
Ashtabula	Orwell Township	Yes	2/1/2001	PO Box 672 Orwell Township, OH 44076
Ashtabula	Pierpont Township	Yes	2/1/2001	1109 ST RT 7 Pierpoint Township, OH 44082
Ashtabula	Plymouth Township	Yes	2/1/2001	4350 Runkle Ave. Ext. Ashtabula, OH 44004
Ashtabula	Richmond Township	Yes	2/1/2001	6489 Footville-Richmond Rd Richmond Township, OH 44003
Ashtabula	Roaming Shores	Yes	10/1/2001	2500 Hayford Rd P.O. Box 237 Roaming Shores, OH 44084
Ashtabula	Rock Creek	Yes	10/2/2001	PO Box 92 Rock Creek, OH 44084
Ashtabula	Rome Township	Yes	2/1/2001	PO Box 5057 Rome, OH 44085
Ashtabula	Saybrook Township	Yes	2/1/2001	7247 Center Rd. Saybrook Township, OH 44004
Ashtabula	Sheffield Township - Ashtabula	Yes	2/1/2001	PO Box 38 Kingsville, OH 44044
Ashtabula	Trumbull Township	Yes	2/1/2001	2443 State Route 534 Geneva, OH 44041
Ashtabula	Wayne Township	Yes	2/1/2001	9075 SR 193 Orwell, OH 44076
Ashtabula	Williamsfield Township	Yes	2/1/2001	PO Box 157 Williamsfield Township, OH 44093
Ashtabula	Windsor Township	Yes	2/1/2001	PO Box 223 Windsor Township, OH 44099

County	Account Name	Electric	Since	Address 1
Athens	Athens	No		8 East Washington Athens, OH 45701 Athens
Clark	Springfield	Yes	#####	76 East High St Springfield, OH 45502
Columbiana	Butler Township	No		2974 Slater Road Salem, OH 44493
Columbiana	Fairfield Township	Yes	3/1/2018	3062 Fairfield School Road Columbiana, OH 44408
Columbiana	Hanover Township	Yes	1/1/2020	29309 Lincoln Hwy Hanoverton, OH 44423
Columbiana	Hanoverton Village	Yes	1/11/2021	PO Box 177 State Route 9 Hanoverton, OH 44423
Columbiana	Knox Township	No		2895 Knox School Rd. Homeworth, OH 44634 Columbiana
Columbiana	Leetonia	No		300 East Main St. Leetonia, Ohio 44431
Columbiana	Middleton Township	No		50738 Richardson Street PO Box 295 Negley, OH 44441
Columbiana	Perry Township - Columbiana	Yes	1/1/2020	2198 North Ellsworth Avenue Salem, OH 44460
Columbiana	Unity Township	No		1430 Brookdale Ave East Palestine, OH 44413
Columbiana	West Township	No		8610 Knox School Rd. Minerva, OH 44657
Cuyahoga	Beachwood	Yes	12/1/2002	25325 Fairmount Blvd. Beachwood, OH 44122
Cuyahoga	Bedford	Yes	7/1/2002	165 Center Road Bedford, OH 44146
Cuyahoga	Bedford Heights	Yes	7/2/2002	5661 Perkins Road Bedford Heights, OH 44146
Cuyahoga	Bentleyville	Yes	7/3/2002	6253 Chagrin River Road Bentleyville, OH 44022
Cuyahoga	Berea	Yes	10/1/2001	11 Berea Commons Berea, OH 44017
Cuyahoga	Bratenahl	Yes	10/1/2001	411 Bratenahl Road Bratenahl, OH 44108
Cuyahoga	Brecksville	Yes	12/1/2002	9069 Brecksville Road Brecksville, OH 44141

County	Account Name	Electric	Since	Address 1
Cuyahoga	Broadview Heights	Yes	2/1/2002	9543 Broadview Road Broadview Heights, OH 44147
Cuyahoga	Brook Park	Yes	10/4/2001	6161 Engle Road Brook Park, OH 44142
Cuyahoga	Brooklyn	Yes	10/2/2001	7619 Memphis Avenue Brooklyn, OH 44144
Cuyahoga	Brooklyn Heights	Yes	10/3/2001	345 Tuxedo Avenue Brooklyn Heights, OH 44131
Cuyahoga	Chagrin Falls	Yes	10/1/2001	21 Washington Street Chagrin Falls, OH 44022
Cuyahoga	Chagrin Falls Township	Yes	11/1/2025	83 North Main Street Chagrin Falls, OH 44022
Cuyahoga	Cleveland	Previous	6/1/2018	601 Lakeside Ave Cleveland, OH 44114
Cuyahoga	Cleveland Heights	Yes	6/1/2018	40 Severance Circle Cleveland Heights, OH 44118 USA
Cuyahoga	Cuyahoga Heights	Yes	11/1/2000	4863 East 71st Street Cuyahoga Heights, OH 44125
Cuyahoga	East Cleveland	Yes	8/1/2000	14340 Euclid Ave E. Cleveland, OH 44112
Cuyahoga	Fairview Park	Yes	11/1/2002	20777 Lorain Road Fairview Park, OH 44126
Cuyahoga	Garfield Heights	Yes	10/1/2001	5407 Turney Road Garfield Heights, OH 44125
Cuyahoga	Gates Mills	Yes	7/1/2015	1470 Chagrin River Rd Gates Mills, OH 44040
Cuyahoga	Glenwillow	Yes	10/1/2001	29555 Pettibone Road Glenwillow, OH 44139
Cuyahoga	Highland Heights	Yes	10/1/2001	5827 Highland Road Highland Heights, OH 44143
Cuyahoga	Highland Hills	Yes	12/9/2015	3700 Northfield Rd. Highland Hills, OH 44122
Cuyahoga	Hunting Valley	Yes	7/1/2002	38251 Fairmount Blvd. Hunting Valley, OH 44022
Cuyahoga	Independence	Yes	#####	6800 Brecksville Rd Independence, Ohio 44131 United States
Cuyahoga	Lakewood	Yes	7/1/2000	12650 Detroit Ave. Lakewood, OH 44107
Cuyahoga	Linndale	Yes	10/1/2001	4016 West 119th Street Linndale, OH 44135

County	Account Name	Electric	Since	Address 1
Cuyahoga	Lyndhurst	Yes	10/1/2001	5301 Mayfield Rd Lyndhurst, OH 44124
Cuyahoga	Maple Heights	Yes	10/1/2001	5353 Lee Road Maple Heights, OH 44137
Cuyahoga	Mayfield Heights	Yes	2/1/2016	6154 Mayfield Rd. Mayfield Heights, OH 44124
Cuyahoga	Mayfield Village	Yes	7/1/2000	6622 Wilson Mills Road Mayfield Village, OH 44143
Cuyahoga	Middleburg Heights	Yes	8/1/2000	15700 Bagley Road Middleburg Heights, OH 44130
Cuyahoga	Moreland Hills	Yes	10/1/2001	4350 SOM. Ctr Rd Moreland Hills, OH 44022
Cuyahoga	Newburgh Heights	Yes	7/1/2000	3801 Harvard Avenue Newburgh Hts., OH 44105
Cuyahoga	North Olmsted	Yes	10/1/2001	5200 Dover Center Road North Olmsted, OH 44070
Cuyahoga	North Randall	Yes	10/1/2001	21937 Miles Rd. North Randall, OH 44128
Cuyahoga	North Royalton	Yes	10/1/2001	14600 State Rd. North Royalton, OH 44133
Cuyahoga	Oakwood	Yes	12/1/2000	24800 Broadway Avenue Oakwood Village, OH 44146
Cuyahoga	Olmsted Falls	Yes	10/1/2001	26100 Bagley Rd. Olmsted Falls, OH 44138-1897
Cuyahoga	Olmsted Township	Yes	12/1/2000	7900 Fitch Road Olmsted Township, OH 44138
Cuyahoga	Orange Village	Yes	8/1/2000	4600 Lander Rd. Orange Village, OH 44022
Cuyahoga	Parma	Yes	2/16/2021	6611 Ridge Road Parma, OH 44129
Cuyahoga	Parma Heights	Yes	10/1/2001	6281 Pearl Road Parma Heights, OH 44130
Cuyahoga	Pepper Pike	Yes	10/1/2001	28000 Shaker Blvd. Pepper Pike, OH 44124
Cuyahoga	Richmond Heights	Yes	7/1/2024	26789 Highland Rd Richmond Heights, OH 44143
Cuyahoga	Rocky River	Yes	11/1/2000	21012 Hilliard Boulevard Rocky River, OH 44116
Cuyahoga	Seven Hills	Yes	3/1/2018	7325 Summitview Drive Seven Hills, OH 44131
Cuyahoga	Solon	Yes	7/1/2000	34200 Bainbridge Rd. Solon, OH 44139

County	Account Name	Electric	Since	Address 1
Cuyahoga	South Euclid	Yes	6/1/2000	1349 South Green Road South Euclid, OH 44121
Cuyahoga	Strongsville	Yes	1/1/2001	16099 Foltz Pkwy. Strongsville, OH 44149
Cuyahoga	University Heights	Yes	7/1/2000	2300 Warrensville Center Road University Heights, OH 44118
Cuyahoga	Valley View	Yes	7/1/2000	6848 Hathaway Road Valley View, OH 44125
Cuyahoga	Walton Hills	Yes	7/1/2000	7595 Walton Road Walton Hills, OH 44146
Cuyahoga	Warrensville Heights	Yes	8/1/2000	4743 Richmond Road Warrensville Heights, OH 44128
Cuyahoga	Woodmere	Yes	9/1/2014	27899 Chagrin Boulevard Woodmere Village, OH 44122
Fairfield	Lancaster	Yes	1/1/2020	104 E Main St. Lancaster, Ohio 43130
Franklin	Reynoldsburg	Yes	8/1/2023	7232 East Main Street Reynoldsburg, OH 43068
Geauga	Auburn Township	Yes	12/1/2001	11010 East Washington Street Auburn Township, OH 44023
Geauga	Bainbridge Township	Yes	8/1/2001	17826 Chillicothe Road Chagrin Falls, OH 44023
Geauga	Burton	Yes	7/1/2000	14588 West Park Street P.O. Box 408 Burton, OH 44021
Geauga	Burton Township	Yes	5/1/2018	14821 Rapids Road P.O. Box 355 Burton, OH 44021
Geauga	Chardon	Yes	8/1/2000	111 Water Street Chardon, OH 44024
Geauga	Chardon Township	Yes	1/1/2001	9949 Mentor Road Chardon, OH 44024
Geauga	Chester Township	Yes	7/1/2002	12701 Chillicothe Road Chesterland, OH 44026
Geauga	Claridon Township	Yes	1/1/2001	13932 Mayfield Road P.O. Box 66 East Claridon, OH 44033
Geauga	Hambden Township	Yes	1/1/2002	13887 G.A.R. Highway Chardon, OH 44024
Geauga	Huntsburg Township	Yes	2/1/2001	16534 Mayfield Rd. Huntsburg, OH 44046

County	Account Name	Electric	Since	Address 1
Geauga	Middlefield Township	Yes	11/1/2001	15228 Madison Road Middlefield, OH 44062
Geauga	Middlefield Village	Yes	8/1/2000	14860 N. State Ave. Middlefield, OH 44062-1019
Geauga	Montville Township	Yes	3/1/2002	9755 Madison Road P.O. Box 116 Montville, OH 44064
Geauga	Munson Township	Yes	2/1/2002	12210 Auburn Road Chardon, OH 44024
Geauga	Newbury Township	Yes	1/1/2002	14899 Auburn Road Newbury, OH 44065
Geauga	Parkman Township	Yes	7/16/2002	16295 Main Market Rd. West Farmington, OH 44491
Geauga	Russell Township	Yes	7/1/2002	8501 Kinsman Road P.O. Box 522 Novelty, OH 44072
Geauga	South Russell	Yes	12/1/2000	5205 Chillicothe Rd. South Russell, OH 44022
Geauga	Thompson Township	Yes	6/1/2002	6741 Thompson Road PO Box 204 Thompson, OH 44086
Geauga	Troy Township	No		13950 Main Market Road Burton, OH 44021
Huron	Norwalk	Yes	6/1/2011	38 Whittlesey Ave. Norwalk, OH 44857
Lake	Concord Township	Yes	12/1/2002	7229 Ravenna Road Concord Township, OH 44077
Lake	Eastlake	Yes	6/1/2002	35150 Lakeshore Boulevard Eastlake, OH 44095
Lake	Fairport Harbor	Yes	12/1/2002	220 Third Street Fairport Harbor, OH 44077
Lake	Grand River	Yes	6/1/2001	205 Singer Ave. PO Box 125 Grand River, OH 44045
Lake	Kirtland	Yes	7/1/2002	9301 Chillicothe Rd. Kirtland, OH 44094
Lake	Kirtland Hills	Yes	8/1/2000	8026 Chillicothe Rd. Kirtland Hills, OH 44060
Lake	Lake County	Yes	12/1/2000	105 Main St. Painesville, OH 44077
Lake	Lakeline	Yes	8/1/2002	33801 Lake Shore Boulevard Lakeline, OH 44095

County	Account Name	Electric	Since	Address 1
Lake	LeRoy Township	Yes	12/1/2000	13028 Leroy Center Road Painesville, OH 44077
Lake	Madison Township - Lake	Yes	8/15/2000	2065 Hubbard Road Madison, Ohio 44057
Lake	Madison Village	Yes	2/1/2001	126 West Main Street Madison, OH 44057
Lake	Mentor	Yes	12/1/2000	8500 Civic Center Boulevard Mentor, OH 44060
Lake	Mentor-on-the-Lake	Yes	12/1/2000	5860 Andrews Road Mentor-on-the-Lake, OH 44060-2827
Lake	North Perry Village	No		4449 Lockwood Rd. Perry, OH 44081
Lake	Painesville Township	Yes	12/1/2002	55 Nye Rd. Painesville Twp., OH 44077
Lake	Perry	Yes	11/1/2009	P.O. Box 100 3758 Center Road Perry, OH 44081
Lake	Perry Township - Lake	Yes	12/1/2002	3740 Center Road PO Box 65 Perry, OH 44081
Lake	Timberlake	Yes	8/22/2000	11 East Shore Blvd Timberlake , OH 44095
Lake	Waite Hill	Yes	7/1/2000	7215 Eagle Road Waite Hill, OH 44094
Lake	Wickliffe	Yes	4/1/2007	28730 Ridge Road Wickliffe, OH 44092
Lake	Willoughby	Yes	8/1/2000	1 Public Square Willoughby, OH 44094
Lake	Willoughby Hills	Yes	7/1/2000	35405 Chardon Road Willoughby Hills, OH 44094
Lake	Willowick	Yes	7/1/2000	30435 Lakeshore Blvd. Willowick, OH 44092
Lorain	Amherst Township	Yes	11/1/2013	7530 Oberlin Road Amherst Township, OH 44035
Lorain	Avon	Yes	7/1/2000	36080 Chester Road Avon, OH 44011
Lorain	Avon Lake	Yes	7/1/2000	150 Avon Belden Road Avon Lake, OH 44012
Lorain	Carlisle Township	Yes	2/1/2016	11969 State Route 301 Elyria, OH 44050

County	Account Name	Electric	Since	Address 1
Lorain	Columbia Township	Yes	12/1/2010	25496 Royalton Road Columbia Township, OH 44028
Lorain	Eaton Township	Yes	2/1/2016	12043 S. Avon Belden Rd. Grafton, OH 44044
Lorain	Elyria	Yes	8/1/2000	131 Court St. Elyria, OH 44035
Lorain	Elyria Township	Yes	6/1/2010	41416 Griswold Road Elyria, OH 44035
Lorain	Grafton Township	Yes	#####	17109 SR 83 17109 Avon Belden Road PO Box 100 Grafton, OH 44044
Lorain	LaGrange Township	Yes	7/13/2015	PO Box 565 LaGrange, OH 44050
Lorain	Lorain	No	7/1/2000	200 West Erie Avenue - 7th Floor Lorain, OH 44052
Lorain	New Russia Township	Yes	2/1/2016	46300 Butternut Ridge Rd. Oberlin, OH 44074
Lorain	North Ridgeville	Yes	7/1/2000	7307 Avon Belden Rd. North Ridgeville, OH 44039
Lorain	Penfield Township	No		41012 SR 18 Wellington, OH 44090
Lorain	Pittsfield Township	Yes	7/20/2021	47850 Hughes Road Wellington, OH 44090
Lorain	Sheffield Lake	Yes	8/1/2001	609 Harris Rd. Sheffield Lake, OH 44054
Lorain	Sheffield Township - Lorain	Yes	1/5/2015	5166 Clinton Avenue Lorain, OH 44055
Lorain	Sheffield Village	Yes	7/1/2000	4340 Colorado Avenue Sheffield Village, OH 44054
Lorain	South Amherst Village	Yes	10/1/2000	103 W. Main Street South Amherst, OH 44001
Lorain	Vermilion	Yes	6/1/2020	5511 Liberty Ave. Vermilion, OH 44089
Mahoning	Austintown Township	Yes	5/1/2026	
Mahoning	Beaver Township	Yes	5/1/2019	11999 South Ave. P.O. Box 598 North Lima, OH 44452
Mahoning	Berlin Township	Yes	5/1/2019	15823 Akron Canfield Road PO Box 95 Berlin Center, OH 44401

County	Account Name	Electric	Since	Address 1
Mahoning	Canfield Township	Yes	6/1/2025	21 South Broad St. Canfield, OH 44406
Mahoning	Coitsville Township	Yes	5/1/2019	3711 McCartney Road Lowellville, OH 44436
Mahoning	Ellsworth Township	Yes		
Mahoning	Goshen Township	Yes	5/1/2019	14003 W. South Range Road Salem, OH 44460
Mahoning	Green Township	Yes	5/1/2019	12184 Lisbon Road PO Box 72 Greenford, OH 44422
Mahoning	Jackson Township	Yes	5/1/2019	10613 Mahoning Avenue North Jackson, OH 44451
Mahoning	Mahoning County	Yes	5/1/2019	21 W. Boardman St. 2nd Floor Youngstown, OH 44503
Mahoning	Milton Township	Yes	5/1/2019	15992 Milton Ave. PO Box 308 Lake Milton, OH 44429
Mahoning	Sebring Village	Yes	#####	135 East Ohio Sebring, OH 44672
Mahoning	Smith Township	Yes	2/1/2021	846 N. Johnson Rd. Sebring, OH 44672 Mahoning
Mahoning	Springfield Township - Mahoning	Yes	5/1/2019	3475 E. South Range Road New Springfield, OH 44443
Medina	Brunswick	Yes	12/1/2000	4095 Center Road Brunswick, OH 44212
Medina	Chippewa Lake	Yes	8/13/2018	PO Box 25 24 Circle Crest Chippewa Lake, OH 44215
Medina	Gloria Glens Village	Yes	1/1/2019	7966 Lake Rd. PO Box 457 Chippewa Lake, OH 44215
Portage	Atwater Township	Yes	11/1/2000	1219 State Route 183 PO Box 9 Atwater, OH 44201
Portage	Brimfield Township	Yes	12/1/2000	1333 Tallmadge Road Kent, OH 44240
Portage	Charlestown Township	Yes	12/1/2000	6368 Rock Springs Road Ravenna, OH 44266
Portage	Deerfield Township	Yes	12/1/2000	1450 State Route 14 Deerfield, OH 44411

County	Account Name	Electric	Since	Address 1
Portage	Edinburg Township	Yes	12/1/2000	6856 Tallmadge Rd Rootstown, OH 44272
Portage	Franklin Township	Yes	12/1/2000	218 Gougler Avenue PO Box 291 Kent, OH 44240
Portage	Freedom Township	Yes	12/1/2000	8966 OH-700 Ravenna, OH 44266
Portage	Garrettsville	Yes	8/1/2001	8213 High Street Garrettsville, OH 44231
Portage	Hiram	Yes	7/1/2000	11617 Garfield Road Box 65 Hiram, OH 44234-0065
Portage	Hiram Township	Yes	12/1/2000	6352 Ohio State Route 82 PO Box 1827 Hiram, OH 44234
Portage	Kent	Yes	1/1/2001	215 East Summit Street Kent, OH 44240
Portage	Mantua Township	Yes	12/1/2000	11715 School Lane Mantua, OH 44255
Portage	Nelson Township	Yes	12/1/2000	11639 Windham Parkman Road Garrettsville, OH 44231
Portage	Palmyra Township	Yes	12/1/2000	3956 State Route 225 Palmyra Township, OH 44412
Portage	Paris Township (Portage Co.)	Yes	12/1/2000	9174 Newton Falls Road Ravenna, OH 44266
Portage	Portage County	Yes	12/1/2000	County Administration Building 449 South Meridian Street Ravenna, OH 43218
Portage	Randolph Township	Yes	12/1/2000	1639 State Route 44 Atwater, OH 44201
Portage	Ravenna Township	Yes	12/1/2000	6115 S. Spring Street Ravenna, OH 44266
Portage	Rootstown Township	Yes	12/1/2000	3988 State Route 44 Rootstown, OH 44272
Portage	Shalersville Township	Yes	12/1/2000	9090 OH-44 Ravenna, OH 44266
Portage	Suffield Township	Yes	12/1/2000	2150 May Road Mogadore, OH 44216
Portage	Sugar Bush Knolls	Yes	8/1/2014	PO Box 2127 Streetsboro, OH 44241

County	Account Name	Electric	Since	Address 1
Portage	Windham Township	Yes	2/1/2000	9011 North Main Street Windham, OH 44288
Richland	Lexington	Yes	9/1/2018	44 West Main St. Lexington, Ohio 44904
Richland	Madison Township - Richland	Yes	4/1/2025	817 Expressview Drive Mansfield, OH 44905
Seneca	Tiffin	Yes	#####	51 E. Market St. Tiffin, OH 44883
Stark	Alliance	Yes	3/21/2018	504 East Main St. Alliance, OH 44601
Stark	Massillon	Yes	6/1/2025	Municipal Government Annex 151 Lincoln Way East Massillon, OH 44646
Stark	North Canton	Yes	6/1/2025	145 N Main Street North Canton, Ohio 44720
Stark	Paris Township (Stark Co.)	Yes	4/1/2025	
Summit	Bath Township	No		3864 West Bath Road Akron, Ohio 44333 USA
Summit	Boston Heights	Yes	4/8/2025	45 E. Boston Mills Rd. Boston Heights, OH 44236
Summit	Boston Township	No		PO Box 123 Peninsula, Ohio 44264 USA
Summit	Clinton	Yes	8/1/2000	7871 Main St. Clinton, OH 44216
Summit	Copley Township	No		1540 S. Cleveland-Massillon Road Copley, OH 44321 USA
Summit	Coventry Township	No		68 Portage Lakes Drive Akron, Ohio 44319 USA
Summit	Cuyahoga Falls	No		Municipal Building 2310 Second Street Cuyahoga Falls, Ohio 44221 USA
Summit	Green	No		1755 Town Park Blvd. Green, OH 44685
Summit	Lakemore	Yes	8/1/2000	1400 Main Street Lakemore, OH 44250
Summit	Macedonia	Yes	7/1/2000	9691 Valley View Road Macedonia, OH 44056

County	Account Name	Electric	Since	Address 1
Summit	Munroe Falls	Yes	#####	
				5611 Manchester Road New Franklin, Ohio 44319 USA
Summit	New Franklin	No		
				10455 Northfield Road
Summit	Northfield	Yes	8/1/2000	Northfield, OH 44067
				9546 Brandywine Road Northfield Center, OH 44067 USA
Summit	Northfield Center Township	No		
				4060 Columbia Woods Dr.
Summit	Norton	Yes	5/1/2025	Norton, OH 44203
				1582 Main Street
Summit	Peninsula	Yes	8/1/2000	Peninsula, OH 44264
				3382 Glenwood Blvd.
Summit	Reminderville	Yes	8/1/2000	Reminderville, OH 44202
				4410 W. Streetsboro Rd.
Summit	Richfield	Yes	11/1/2007	Richfield, OH 44286
				3038 Boston Mills Road Brecksville, OH 44141 USA
Summit	Richfield Township	No		
				11551 Valley View Rd
Summit	Sagamore Hills Township	Yes	6/1/2018	Northfield, OH 44067
				2459 Canfield Road Akron, Ohio 44312 USA
Summit	Springfield Township - Summit	No		
				Ohio Building 175 South Main Street Akron, OH 44308
Summit	Summit County			
				10075 Ravenna Road
Summit	Twinsburg	Yes	7/1/2000	Twinsburg, OH 44087
				1790 Enterprise Parkway Twinsburg, Ohio 44087 USA
Summit	Twinsburg Township	No		
				1315 Churchill -Hubbard Road
Trumbull	Liberty Township	Yes	11/1/2005	Liberty Township, OH 44505
				451 Ohio Ave.
Trumbull	McDonald	Yes	1/1/2010	McDonald, OH 44437
				612 West Broad
Trumbull	Newton Falls	No		Newton Falls, OH 44444
				391 Mahoning Avenue N.W.
Trumbull	Warren	Yes	9/1/2006	Warren, OH 44483
				30 North Main St.
Wayne	Rittman	Yes	5/1/2024	Rittman, OH 44270

Competitive Retail Electric Service Provider Certificate

Certified Entity:

Northeast Ohio Public Energy Council

31360 Solon Rd, Ste 33

Solon, OH 44139

Certificate Number: **01-044E****Effective Date: March 08, 2025****Expiration Date: March 08, 2027**

Issued Pursuant to Case Number(s):

00-2317-EL-GAG

The above referenced entity is hereby certified to provide competitive retail electric **Governmental Aggregator** services within the State of Ohio.

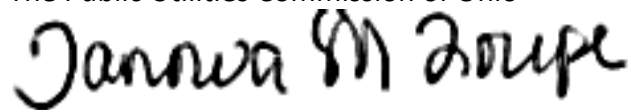
The certification of competitive retail electric service providers is governed by Chapters 4901:1-24 and 4901:1-21 of the Ohio Administrative Code, and Section 4928.08 of the Ohio Revised Code. This Certificate is revocable if all of the conditions set forth in the aforementioned case(s) are not met. The certified entity is subject to all rules and regulations of the Public Utilities Commission of Ohio now existing or hereafter promulgated.

Witness the seal of the Commission affixed at Columbus, Ohio.

Dated: **08 day of March, 2025.**



By Order of
The Public Utilities Commission of Ohio

A handwritten signature in black ink, reading "Tanowa M. Troupe".

Tanowa M. Troupe, Secretary
Michelle Green, Acting Secretary
Brian James, Acting Secretary
Robert Fadley, Acting Secretary

**This foregoing document was electronically filed with the Public Utilities
Commission of Ohio Docketing Information System on**

3/11/2025 4:20:48 PM

in

Case No(s). 00-2317-EL-GAG

Summary: Certificate No. 01-044E issued and electronically filed by Mr. Brandon J. Jenkins on behalf of PUCO Staff.

Competitive Retail Electric Service Provider Certificate

Certified Entity:

NextEra Energy Services Ohio LLC

601 Travis Street, Suite 1400
Houston, 77002

Certificate Number: **08-145E**

Effective Date: October 16, 2024

Expiration Date: October 16, 2026

Issued Pursuant to Case Number(s):

08-1081-EL-CRS

The above referenced entity is hereby certified to provide competitive retail electric **Power Marketer** services within the State of Ohio.

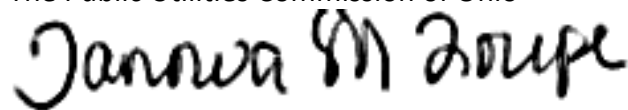
The certification of competitive retail electric service providers is governed by Chapters 4901:1-24 and 4901:1-21 of the Ohio Administrative Code, and Section 4928.08 of the Ohio Revised Code. This Certificate is revocable if all of the conditions set forth in the aforementioned case(s) are not met. The certified entity is subject to all rules and regulations of the Public Utilities Commission of Ohio now existing or hereafter promulgated.

Witness the seal of the Commission affixed at Columbus, Ohio.

Dated: **16 day of October, 2024.**



By Order of
The Public Utilities Commission of Ohio

A handwritten signature in black ink, reading "Tanowa M. Troupe".

Tanowa M. Troupe, Secretary
Michelle Green, Acting Secretary
Brian James, Acting Secretary
Susan Patterson, Acting Secretary

**This foregoing document was electronically filed with the Public Utilities
Commission of Ohio Docketing Information System on**

10/17/2024 2:31:13 PM

in

Case No(s). 08-1081-EL-CRS

Summary: Certificate No. 08-145E electronically filed by Nedra Ramsey on behalf
of PUCO Staff.

AGREEMENT
ESTABLISHING THE
NORTHEAST OHIO PUBLIC ENERGY COUNCIL

This AGREEMENT is made and entered into as of November 8, 2000, by and among the political subdivisions identified below:

RECITALS:

WHEREAS, Ohio Revised Code Chapter 167 provides, in general, that the governing bodies of any two (2) or more political subdivisions may enter into an agreement establishing a regional council of governments for the purposes of promoting cooperative arrangements and agreements among its members and between its members and government agencies or private persons or entities, performing functions and duties which its members can perform and addressing problems of mutual concerns; and

WHEREAS, certain municipal corporations, counties, townships and regional councils of government of the State of Ohio have determined to enter into this Agreement Establishing the Northeast Ohio Public Energy Council for the purpose of carrying out a cooperative program for the benefit of the members acting as governmental aggregators to arrange for the purchase of electricity by the electric customers in these political subdivisions served by the operating utility companies of FirstEnergy Corp. pursuant to the authority provided under Ohio Revised Code Section 4928.20, and promoting any other cooperative programs which may be approved, from time to time, in accordance with this Agreement and the Bylaws described below;

NOW, THEREFORE, it is agreed by and among the municipal corporations, counties, townships and regional councils of government identified below, on behalf of whom this Agreement has been executed by their representatives in accordance with the authorizing resolution of each, that:

Section 1. Definitions.

As used in this Agreement and in the Bylaws the following words shall have the following meanings:

"Additional Program" means any other cooperative program the Council may establish under an Additional Program Agreement.

"Additional Program Agreement" means any agreement among some or all Members establishing an Additional Program in accordance with Section 5 hereof.

"Additional Program Costs" means, with respect to any Additional Program of the Council, all costs incurred by the Council or the Fiscal Agent of the Council, in connection with the activities and operations of that Additional Program, as defined in the corresponding Additional Program Agreement.

"Advisory Committee" means any committee established by the Board of Directors pursuant to the Bylaws to advise the Board of Directors or the Fiscal Agent with respect to the management and operation of any Program. The Board of Directors shall define the duties of each Advisory Committee.

"Aggregation Costs" means all costs incurred by the Council or by the Fiscal Agent in connection with the activities and operation of the Council for the Aggregation Program.

"Aggregation Fund" means the fund established and maintained by the Fiscal Agent of the Council as a separate fund pursuant to Section 7 of the Bylaws, into which the Fiscal Agent shall deposit any and all moneys contributed by the Members for Aggregation Costs of the Council.

"Aggregation Program" means the cooperative program for the benefit of the Members acting as governmental aggregators to arrange for the purchase of electricity by electric customers in the political subdivisions served by the operating companies of FirstEnergy Corp. pursuant to the terms of Ohio Revised Code Section 4928.20 and this Agreement.

"Agreement" means this agreement, as the same may be amended, modified, or supplemented in accordance with Section 8 hereof.

"Assembly" means the legislative body of the Council established pursuant to, and having those powers and duties enumerated in, the Bylaws.

"Bylaws" means the regulations adopted by the Council pursuant to Ohio Revised Code Section 167.04 and this Agreement, as the same may be amended, modified, or supplemented in accordance with Section 10 thereof, a form of which is attached hereto as Exhibit A.

"Council" means the Northeast Ohio Public Energy Council established by this Agreement.

"Fiscal Agent" means the person or organization designated by the Members of the Council to receive, deposit, invest and disburse funds contributed by the Members for the operation of the Council and its Programs, in accordance with this Agreement, the Bylaws and any applicable Program Agreement.

"Fiscal Year" means the twelve (12) month period beginning January 1 and ending December 31.

"Member" means any municipal corporation, county, township and regional council of governments which pursuant to duly adopted legislation, has caused this Agreement to be executed in its name, which Member shall be listed on Exhibit B hereto, including any additional municipal corporation, county, township and regional council of governments which has caused this Agreement to be executed in accordance with Section 7 hereof, and has not withdrawn from the Council pursuant to this Agreement or the Bylaws.

"Program" means the Aggregation Program or any Additional Program.

Section 2. Name.

The name of the group composed of all Members shall be the "Northeast Ohio Public Energy Council".

Section 3. Representation of Members.

Each Member shall have one representative to the Assembly, who (i) in the case of municipal corporations, shall be the mayor or manager or an appointee of such officer, or (ii) in the case of counties or townships or regional councils of governments, shall be a member of its governing board or an officer chosen by such governing board.

Section 4. Adoption of Bylaws.

Within thirty (30) days following the effective date of this Agreement as determined pursuant to Section 11 hereof, the representatives shall meet for the purpose of adopting Bylaws. The affirmative vote of at least a majority of representatives of all Members shall be required for the adoption of the Bylaws, a form of which is attached as Exhibit A.

Section 5. The Aggregation Program: Additional Programs of the Council.

The Members will act jointly through the Council to establish and implement the Aggregation Program pursuant to Ohio Revised Code Section 4928.20. Each Member has adopted legislation, and approval by the electors of each Member has been or will be obtained, authorizing the Aggregation Program. Upon certification of the Members by the PUCO, as may be applicable, the Council, on behalf of the Members, may effect the aggregation of the retail electrical loads located within the jurisdictions of the Members. The Council may negotiate and enter into all necessary contracts and take any other necessary and incidental actions to effect and carry out the purposes of the Aggregation Program for the benefit of the Members and their respective electricity consumers.

The Board of Directors shall oversee and manage the operation of the Aggregation Program and may adopt policies and procedures supplementing the general terms of this Agreement and the Bylaws.

The Board of Directors shall develop a plan of operation and governance for the Aggregation Program pursuant to Ohio Revised Code Section 4928.20 to be adopted by each member.

The Council may establish, in addition to the Aggregation Program, such other Additional Programs as the Board of Directors may approve. Each Additional Program shall be established by an Additional Program Agreement among the Members of the Council whose governing bodies have determined to participate in the Additional Program and have approved

an Additional Program Agreement. Each Additional Program Agreement shall be reviewed and approved by the Board of Directors prior to execution by any Member.

Each Additional Program Agreement shall include but not be limited to provisions that:

- (A) Direct the Board of Directors concerning the management of the Additional Program and define matters which must be submitted to the participating Members for decision;
- (B) Establish procedures for budgeting Additional Program Costs and apportioning Additional Program Costs among the participating Members;
- (C) Establish one or more funds into which all monetary contributions for Additional Program Costs shall be deposited;
- (D) Determine the method and timing of inclusion of additional participating Members;
- (E) If determined to be necessary or desirable, appoint a Fiscal Agent for the Additional Program different from the Fiscal Agent for the Council; and
- (F) Determine the disposition, upon termination of the Additional Program, of any supplies, equipment, facilities or moneys held in connection with the operation of the Additional Program.

Section 6. Withdrawal of a Member.

- (a) Any Member wishing to withdraw from membership in the Council shall notify the Council in the manner described in Section 6(c) hereof and such withdrawal shall, except as otherwise provided in this Section 6, cause such Member's membership in the Council to be terminated. Such termination shall not be effective until (A) the end of the applicable two (2) or three (3) year opt-out period as to any electricity or natural gas aggregation program of the Council under which service is being provided to customers in the Member's community; and (B) such withdrawing Member has paid to the Council the Administrative Fee (as defined in Section 6(d) hereof), if applicable.
- (b) Any Member wishing to withdraw from participation in any Program of the Council, including any aggregation Program of the Council for electricity or natural gas, shall notify the Council in the manner described in Section 6(c) hereof. Such withdrawal from a Program, regardless of whether a member participates in only one program, shall be effective:
 - (i.) At any time, without charge, as to a natural gas Program, if NOPEC is not enrolling natural gas customers in that Member's

community or offering a natural gas Program for a Member participating in the Council's aggregation Program for natural gas; or

- (ii.) At any time, without charge, as to an electric Program, if NOPEC is not enrolling electric customers in that Member's community or offering an electric program for a Member participating in the Council's electric aggregation Program; or
- (iii.) Without charge, with at least six (6) months prior written notice before any two (2) or three (3) year opt-out period expires for an existing Council natural gas or electric Program under which service is being provided to customers in the Member's community; or
- (iv.) At any other time, with six (6) months written notice, but only if the Member pays NOPEC the Administrative Fee.

A withdrawal from participation in a Council Program is not a withdrawal from Membership as long as the Member continues to participate in at least one Council Program.

- (c) Any notification of withdrawal of a Member from Membership in the Council or from participation in a Council Program must include (i) a certified copy of duly adopted legislation of the governing body of the withdrawing Member authorizing such withdrawal; and (ii) a Fiscal Officer's Certificate evidencing the appropriation of funds sufficient to pay the Council the Administrative Fee, if applicable.
- (d) So long as the Council does not charge its Members a fee to be a Member of the Council, any Member withdrawing from a Program (unless such withdrawal is in compliance with Sections 6 (b)(i), (ii) or (iii)) shall, prior and as a condition to its withdrawal, pay the Council a withdrawal fee which shall not be a penalty for withdrawing from any Program(s) and which shall be calculated by the Council as the compensation that the Council would have received from the supplier(s) to the Program(s) as it relates to the withdrawing Member during a one (1) year period (the "Administrative Fee").
- (e) After withdrawal from membership in the Council, the withdrawing Member may not become a Member again until it has fully complied with the procedures contained in Section 7 of the Agreement.

Section 7. Inclusion of Additional Members.

Any municipal corporation, county or township in the State of Ohio may apply to become a Member of the Council by submitting an application in writing to the Board of Directors,

accompanied by duly adopted legislation authorizing inclusion in the Council, execution of this Agreement and approval of the Bylaws. Prior to the Assembly's next meeting, the Board of Directors shall review the application and recommend to the Assembly whether the applicant municipal corporation, county, township or regional council of governments should be included in the Council. At the Assembly's next meeting, it shall act upon the Board of Directors' recommendation by duly adopted resolution. The applicant municipal corporation, county, township, or regional council of governments shall be included in the Council and deemed a Member hereunder if its inclusion is approved by the affirmative vote of at least two-thirds (2/3) of the representatives in the Assembly and the applicant municipal corporation, county, township or regional council of governments executes the Agreement, and appropriates and remits to the Fiscal Agent an initial monetary assessment for Aggregation Costs in an amount recommended by the Board of Directors and approved by the Assembly. The applicant shall thereafter be a Member and be assessed its portion of the Aggregation Costs by the same method and using the same formula as any other member, in accordance with the Bylaws.

Section 8. Amendments.

This Agreement may be modified, amended, or supplemented in any respect not prohibited by law upon the approval of the modification, amendment or supplement by the representatives of at least two-thirds (2/3) of the Members; and the amendment, modification, or supplement shall thereupon become binding upon all Members.

Section 9. Term of the Agreement.

It is the express intention of the Members that this Agreement shall continue for an indefinite term, but may be terminated as herein provided.

Section 10. Termination of the Agreement.

In the event that the governing bodies of two-thirds (2/3) of the Members, by duly adopted legislation, determine that this Agreement shall be terminated, the Board of Directors shall meet within thirty (30) days following its receipt of certified copies of the legislation. At that meeting, the Board of Directors shall determine the date upon which this Agreement and the activities and operations of the Council shall terminate and make recommendations to the Assembly with respect to any matter which must be resolved in connection with the termination of the Council and which is not addressed by this Agreement, the Bylaws, or any Program Agreement.

Upon termination of this Agreement, any Additional Program Agreement shall automatically terminate. After payment of all known obligations of the Council in connection with each Additional Program, any surplus remaining in any Additional Program fund shall be distributed among the participating Members in the manner provided in the Additional Program Agreement. After payment of all known obligations of the Council, any surplus remaining in the Aggregation Fund shall be distributed among the Members as determined by the Board of Directors.

No Member shall be required, by or under this Agreement or the Bylaws, by an amendment or otherwise, to pay any sum upon termination hereof, unless it shall have expressly agreed thereto.

Section 11. Effectiveness and Counterparts of the Agreement.

This Agreement shall not be effective until (i) the Agreement is signed by the representatives of not less than ten (10) Members as authorized by duly adopted legislation of the governing body of each of those Members; and (ii) the voters of those Members have approved the Aggregation Program in accordance with Ohio Revised Code Section 4928.20. This Agreement may be signed in separate counterparts on behalf of any one or more than one, of the Members, without necessity for any one counterpart to be signed on behalf of all Members. Separately signed counterparts shall be filed with the Fiscal Agent and shall constitute one Agreement.

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ADOPTED THE 8th DAY OF NOVEMBER, 2000

AMENDED THE 27th DAY OF JUNE, 2002

AMENDED THIS 13th DAY OF NOVEMBER, 2008

AMENDED THIS 10th DAY OF NOVEMBER, 2015

NORTHEAST OHIO PUBLIC ENERGY COUNCIL

By: _____
_____, Chairman

MEMBER:

CITY OF GREEN

By: _____

Its: _____

BYLAWS
GOVERNING THE
NORTHEAST OHIO PUBLIC ENERGY COUNCIL

WHEREAS, certain municipal corporations, counties, townships and regional councils of governments of the State of Ohio (each, a “Member”) entered into an Agreement Establishing the Northeast Ohio Public Energy Council (the “Agreement”) pursuant to Revised Code Chapter 167, for the purpose of carrying out the Aggregation Program pursuant to Revised Code Section 4928.20 and any Additional Programs which the Members of the Council may approve, from time to time, and which are authorized under the laws of the State; and

WHEREAS, Revised Code Section 167.04 requires and the Agreement provides that the Council shall adopt Bylaws designating the officers of the Council and the method of selection thereof, creating a governing board to act for the Council, appointing a fiscal officer and providing for the conduct of the Council’s business; and

WHEREAS, each Member has by duly adopted legislation authorized its representative to approve these Bylaws, and the representatives of the Members have met for the purpose of adopting these Bylaws in accordance with Revised Code Section 167.40 and Section 4 of the Agreement;

NOW, THEREFORE, the following provisions shall constitute the Bylaws of the Council:

Section 1. Definitions.

Any capitalized word or phrase used in these Bylaws and not otherwise defined herein, shall have the meaning given in Section 1 of the Agreement as the Agreement may, from time to time, be amended, modified, or supplemented in accordance with Section 8 thereof.

Section 2. Assembly.

The Assembly shall be the legislative body of the Council. The Assembly shall be composed of the representatives of the Members, who have been appointed pursuant to Section 3 of the Agreement. All representatives to the Assembly (exclusive of ex-officio members) shall serve without compensation.

An Assembly representative may designate another Assembly representative as a proxy at any meeting by delivering to the Chair of the Council a written designation of that proxy.

- (A) Officers. The officers of the Board of Directors shall be the officers of the Council and its Assembly and shall consist of a Chair and Vice-Chair who each shall be selected pursuant to Section 3 hereof. The Chair (and in the Chair’s absence, the Vice-Chair) shall preside at Assembly meetings. If for any reason the offices of the

Chair and Vice-Chair are vacant, the person serving as Executive Director, if any, shall preside as temporary Chair until a Chair is elected by the Board of Directors.

- (B) Resolutions. A majority of all representatives to the Assembly (including proxies correctly presented to the Chair) shall constitute a quorum to transact business except as otherwise provided in the Agreement or these Bylaws. Each representative (including the Chair and Vice-Chair) shall have one vote; provided, however, that when a matter is to be voted upon which is of concern to only one or more but not all Programs of the Council, only representatives of participating Members of those Programs shall be entitled to vote on that matter and only those representatives shall be counted for purposes of determining whether a quorum is present. All legislative action of the Assembly shall be by resolutions entered on its records. Except as otherwise provided in the Agreement, the affirmative vote of at least a majority of all of the representatives to the Assembly eligible to vote on a matter (not counting vacancies) shall be required for the enactment of every resolution. Unless otherwise specifically stated in the resolution, all resolutions shall be effective immediately upon enactment, subject to any authorizations or certifications required by the Revised Code to be made by the Fiscal Agent or the Members.
- (C) Meetings. The Assembly shall meet on a day of each November designated by the Board of Directors and at such other times as may be required by the Chair or as may be requested, in writing to the Executive Director, by any two (2) or more Directors. Written notice of each meeting shall be served by the Executive Director upon each Assembly representative not less than twenty-four (24) hours preceding the time for the meeting, and shall state the date, time, and place of the meeting and subject or subjects to be considered at the meeting. The requirements of and procedures for notice may be waived in writing by each representative and any representative shall be deemed conclusively to have waived such notice with respect to a meeting by his or her attendance at that meeting. At the request of the Chair and with the approval of a majority of the members of the Board of Directors, the annual meeting of the Assembly may be rescheduled to such other dates as may be so approved by the Board of Directors; provided, however, that actions required by this Agreement to be taken by the Assembly at its annual meeting are taken by the Assembly within thirty (30) days of the scheduled annual meeting date in November.

Pursuant to Revised Code Section 121.22(F), the Assembly shall by rule, establish a reasonable method whereby any person may determine the time, place, and purpose of its meetings. All meetings of the Assembly shall be open to the public, subject to the exceptions in Revised Code Section 121.22(G). The Assembly may, but need not, adopt other rules.

(D) Powers and Duties of Assembly.

- (1) At its annual meeting, the Assembly shall review the annual report of the Council, including but not limited to, the financial status of the Council's operation, operation of the Aggregation Program, and any Additional Program being considered.
- (2) At its annual meeting, the Assembly shall consider, upon submission by the Board of Directors, and thereafter modify, if necessary, and approve the annual appropriations of the Council for the next Fiscal Year based upon the estimate of Aggregation Costs and any Additional Program Costs determined pursuant to Section 8 hereof. The Board of Directors shall have the authority to revise the appropriations between Assembly meetings.
- (3) At its annual meeting, the Assembly shall select the members of the Board of Directors for the next Fiscal Year in accordance with Section 3 hereof.
- (4) The following matters shall be submitted to the Assembly and are subject to final approval by the Assembly: the annual appropriations of the Council for each Fiscal Year; selection of the Board of Directors; and such other matters that the Board of Directors or the Assembly may, from time to time, determine to be matters requiring approval by the Assembly.

Section 3. Board of Directors.

The Board of Directors shall be the policy making body of the Council.

- (A) Composition. Subject to the provisions of Section 3(B) below, the Board of Directors shall be composed of one Director representing each county with Members in the Council, and one Director in the case of a regional council of governments having at least one member of such council of governments participating in a NOPEC electric or natural gas program, each of whom shall be an Assembly representative of each respective county and of the regional council of governments and shall be elected by the Assembly representatives of each respective county and of the regional council of governments, at the annual meeting of the Assembly, provided that the affirmative vote of at least a majority of the representatives to the Assembly of each representative county shall be required to elect any Director.
- (B) Notwithstanding anything in this Section 3 to the contrary, the maximum number of Directors shall be twenty-one (21), and shall be constituted as follows: The state of Ohio shall be divided into five (5) regions, the Northeast Ohio Region, the Northwest Ohio Region, the Central Ohio Region, the Southwest Ohio Region and the Southeast Ohio Region, defined in the attached Exhibit A to these Bylaws. There shall be a limit of seventeen (17) Directors from counties located in the Northeast Ohio Region. There shall be a limit of (1) Director from the total number

of Member counties located in each of the Northwest Ohio Region, the Central Ohio Region, the Southwest Ohio Region and the Southeast Ohio Region. Effective on and after November 15, 2016, a county or region must have one (1) or more Member(s) combined with collectively at least 2,500 electricity and/or natural gas accounts participating in NOPEC's electricity and/or natural gas program in such Members' communities in order to be eligible to elect a Director from such county or region. The rights of any Member of the Council as of November 15, 2016, shall be preserved and not be diminished, limited or abridged by the operation of this Section 3.

- (C) Terms of Office. Assembly representatives elected to serve on the Board of Directors at the first organizational meeting shall serve the following terms of office: Half of the members of the Board shall each serve a two-year term and the other half shall each serve a one-year term. Thereafter, any Assembly representative elected to serve on the Board of Directors shall serve a two (2) year term of office. If the number of members of the Board is increased as a result of an increase in the number of counties represented by the membership in the Council, then the terms of those additional Board members shall be set by the Board so that half, or as close as possible to half, of the members of the Board shall be elected every year. There shall be no limit to the number of terms to which a person may be elected or appointed to serve on the Board of Directors; provided, however, that if the person is no longer employed by, or is no longer an elected official of the Member, that person shall no longer be eligible to serve on the Board effective as of the last day of the year during which the person becomes ineligible. All members of the Board shall serve without compensation.

In the event that a vacancy occurs on the Board of Directors, the remaining members of the Board of Directors shall meet and appoint an Assembly representative to fill the vacancy until the next meeting of the Assembly at which elections of Directors are held.

- (D) Meetings. The Board of Directors shall hold regular meetings not less than once per calendar quarter at such times as may be determined by the Board or the Chair. Special meetings shall be held at such other times as may be requested by the Chair. Written notice of each meeting shall be served by the Executive Director upon each Director not less than twenty-four (24) hours preceding the time for the meeting, and shall state the date, time, and place of the meeting and subject to be considered at the meeting. The requirements of and procedures for notice may be waived in writing by each Director and any Director shall be deemed conclusively to have waived such notice with respect to a meeting by his or her attendance at that meeting.
- (E) Attendance. Directors are expected to attend Board meetings. Any Director who is absent from three Board meetings without excuse during a twelve month period is automatically removed from the Board. The remaining Directors shall meet and

appoint a person to fill the vacated seat until the next meeting of the General Assembly at which elections of Directors are held.

- (F) Officers. At its first meeting in each Fiscal Year, the Board of Directors shall convene and organize. The Chair of the Board shall be elected to serve one (1) three-year term by the Board of Directors, with a majority vote of its members present at a quorum. The term of the Chair of the Board may be extended for an additional one-year term for unforeseen or special circumstances, as determined by the Board, with a majority vote of its members present at a quorum. A former Chair is eligible to serve again as Board Chair for a one (1) time, three-year term but only after not serving as a Board officer for not less than three (3) years after his/her first term has expired. The Chair whose term has expired shall preside as temporary Chair until the Chair is elected. In the absence of the prior Chair, the prior Vice-Chair shall be elected to serve a one-year term by the Board of Directors by a majority vote of its members present at a quorum.
- (1) Chair. The Chair shall preside at all meetings of the Board of Directors and the Assembly. The Chair's duties shall also include, but not be limited to: preparing agendas for each meeting of the Board of Directors and arranging for distribution of such agendas so that each Board member receives an agenda at least seven (7) days in advance of each regularly scheduled Board meeting and as soon as practical before any specially scheduled Board meeting; and presenting an annual report to the Assembly at its annual meeting, or distribution of such report to the Members, concerning the activities and operations of the Council. Such duties of the Chair described in the preceding sentence may be delegated to the Executive Director. In the event of a tie on matters subject to a vote of the Board, the Chair shall cast the tie-breaking vote.
- (2) Vice-Chair. In the absence of the Chair, the Vice-Chair shall preside at meetings of the Board of Directors and the Assembly. The Vice-Chair shall succeed to the office of the Chair, should that office be vacated before the end of a term, and shall assist the Chair in the discharge of his duties. There is no term limit for the position of Vice-Chair.
- (3) Executive Director. The Executive Director shall provide written notice to all members of the Board of Directors of all meetings of the Board in accordance with paragraph (D) of this Section. Minutes of all meetings of the Board shall be kept by the Executive Director and distributed to each member of the Board within thirty (30) days following each Board meeting. The Executive Director shall provide Assembly members with written notice of all Assembly meetings in accordance with Section 2 hereof. The Executive Director shall perform such other duties as the Chair may request. If the Board of Directors decides to hire a chief executive officer for the Council, then this person will be titled the Executive Director. The Board of Directors shall provide a job description for this position.

(4) Fiscal Agent. The Board of Directors shall provide for the employment of a Fiscal Agent either by:

- (a) contracting with a Member, or
- (b) hiring a person to perform the duties of the Fiscal Agent, who shall be the Treasurer. Separate Fiscal Agents may be hired to handle specific Programs or assigned to the Treasurer if such employee is hired. The Fiscal Agent shall receive and disburse all funds of the Council, prepare all necessary fiscal reports for the Board of Directors and the Assembly, and undertake all other financial transactions necessary to the work of the Council.

The Fiscal Agent of the Council shall obtain and keep in force a fidelity bond, in an amount determined by the Board of Directors and with a surety company approved by the Board of Directors, or, in lieu of a separate fidelity bond, the Board of Directors may direct the Fiscal Agent to continue and keep in force any existing fidelity bond the Fiscal Agent may have which the Board of Directors determines to be adequate. In either case, the Council shall be named as an insured on such bond and the amount thereof shall not be reduced without prior written consent of the Board of Directors.

The Fiscal Agent and the Executive Director may be held by the same person or by two different persons.

(G) Powers and Duties of the Board of Directors. The Board of Directors shall have the authority to:

- (1) Consider and approve any purchases of equipment, facilities, or services for the Council; provided that the cost thereof is within the Aggregation Costs approved by the Assembly pursuant to Section 8 hereof.
 - (a) Make recommendations to the Assembly concerning any matter relating to the Council and its Programs, including but not limited to:
 - (b) amendments to or modifications of the Agreement and Bylaws,
 - (c) appropriations of the Council,
 - (d) each Member's share of Aggregation Costs or any Additional Program Costs, and
 - (e) disqualification of Members.

- (2) Direct the Fiscal Agent concerning any disbursements from the Aggregation Fund.
- (3) By affirmative vote of a majority of Board members and upon certification to the Board by the Fiscal Agent that the proposal is within the limits of the Council's resources, amend the budget and appropriations of the Council.
- (4) Approve the inclusion of additional Members into the Council.
- (5) Enter into any and all necessary and incidental contracts to facilitate the aggregation of the retail electric and natural gas loads within the jurisdiction(s) of the Members.
- (6) Enter into any and all necessary and incidental contracts to carry out all Programs of the Council.
- (7) Enter into any and all necessary and incidental contracts to carry out all Programs of the Council.

Section 4. Advisory Committees.

One or more Advisory Committees may be appointed by the Board of Directors to assist the Board of Directors in the management of any Program of the Council. The members of an Advisory Committee shall be appointed by and shall serve at the pleasure of the Board of Directors. Each Advisory Committee shall perform the duties directed by the Board of Directors.

Each Advisory Committee shall elect from its membership a chair and vice-chair, who shall each serve for a term of one year or such shorter period of time as the Advisory Committee may be in existence. The Committee chair shall preside at all Committee meetings and prepare the agenda for each meeting following consultation with the Executive Director or Board of Directors. Such duties of the Committee chair described in the preceding sentence may be delegated to the Executive Director. In the absence of the Committee chair, the Committee vice-chair shall preside at Committee meetings. The Committee vice-chair shall succeed to the office of the Committee chair, should it be vacated before the end of a term, and shall assist the Committee chair in the discharge of the Committee chair's duties.

Each Advisory Committee shall make recommendations to the Board of Directors concerning any matter referred to it by the Board of Directors.

Section 5. Employees and Consultants.

The Board of Directors may employ the Fiscal Agent and the Executive Director for the Council. In addition, the Board of Directors may employ other persons and may contract for the services of independent contractors, consultants, legal counsel, or experts as the Board of Directors deems necessary or appropriate for the proper operation and administration of the Council and its Programs. Any staff employed by the Council shall be determined by the Board of Directors to

have the educational background and work experience necessary to discharge the duties assigned to that person by the Board of Directors. The Board of Directors shall establish the salaries, benefits, and work and disciplinary rules for the Council's staff and shall direct the hiring and discharge of that staff. The Board of Directors of the Council may designate the Executive Director to be responsible for the supervision of the Council's staff. The salaries and independent contractors, consultants, legal counsel, or experts shall be paid either as Aggregation Costs or Additional Program Costs from their respective accounts as determined by the Board of Directors.

Section 6. Equipment and Facilities.

The Council may purchase, lease, or otherwise provide supplies, materials, equipment, and facilities as it deems necessary and appropriate to carry out the Programs of the Council. The Council shall comply, to the extent applicable, with the provisions of the Ohio Revised Code with respect to the procedures for bidding and letting of contracts for the acquisition, repair, or improvement of its facilities, equipment, and supplies. The Fiscal Agent of the Council shall, at the direction of and on behalf of the Board of Directors, enter into all contracts or leases for supplies, materials, equipment, or facilities of the Council.

Section 7. Aggregation Fund.

The Aggregation Fund shall be established and maintained by the Fiscal Agent of the Council separate and apart from all other funds of the Council which may be under the custody of the Fiscal Agent. Separate funds will be established for Additional Programs of the Council. All funds of the Council (Aggregation and Additional Program Funds) shall be subject to the laws of the State concerning the investment and management of public funds, particularly Revised Code Chapter 135, and shall be the responsibility of the Fiscal Agent.

The Fiscal Agent of the Council shall deposit in the Aggregation Fund the amounts received from the Members for Aggregation Costs of the Council and any interest earned by the Aggregation Fund. Disbursements may be made from the Aggregation Fund by the Fiscal Agent at the direction of the Board of Directors or the Assembly for any proper purpose of the Council, including but not limited to payment of Aggregation Costs, costs incurred in connection with the establishment of the Council, salaries of any persons employed to carry out the functions related to the Aggregation Program, fees and expenses of the Fiscal Agent, consultants and attorneys, and payment of other operating expenses.

The Fiscal Agent of the Council shall maintain records which identify all receipts of the Aggregation Fund by source. The Fiscal Agent shall maintain records which account for all disbursements from the Aggregation Fund. The Fiscal Agent shall make monthly reports to the Board of Directors on or before the twentieth (20th) day of each month concerning all receipts and disbursements from the Aggregation Fund.

Section 8. Estimate of Aggregation Costs; Payments by Members.

On or before the annual meeting of the Assembly the Board of Directors shall: (a) submit to the Assembly a written estimate of the Aggregation Costs and any Additional Program Costs for

the next Fiscal Year of the Council, and (b) if a fee is to be collected, provide the Assembly and each Member with an estimate of each Member's share of the Aggregation Costs and any Additional Program Costs. Any Additional Program Costs shall be apportioned among the participating members as provided in any Additional Program Agreement. Any Aggregation Costs of the Council shall be apportioned among the Members in the manner determined by the Board of Directors. The estimates shall be presented in enough detail so that the Assembly can determine their sufficiency.

The Assembly shall consider the estimates and accept or modify the same. If an assessment or fee is to be paid by the Members to the Aggregation Fund or any Additional Program Fund, the Fiscal Agent shall deliver to the Members, the estimated appropriation for the next Fiscal Year and each Member's share of such costs. Each Member shall include its share of the Aggregation Costs and any Additional Program Costs in its appropriations (pursuant to Chapter 5705 of the Revised Code). Each member shall thereafter remit its share of Aggregation Costs and any Additional Program Costs to the Fiscal Agent.

If the aggregate contributions made pursuant to that estimated budget prove to be insufficient to pay the Aggregation Costs and any Additional Program Costs for that Fiscal year of the Council, the Board of Directors shall direct the Fiscal Agent to promptly notify in writing each Member of any additional Aggregation Costs and Additional Program Costs, the amount of any deficiencies and each Member's share of those additional costs, all as determined by the Board of Directors, whereupon each Member shall appropriate (pursuant to Chapter 5705 of the Revised Code) the amount stated in the notice and remit the same to the Fiscal Agent within forty-five (45) days after receipt of that written notice.

Failure by a Member to appropriate and remit any of its share of the Council Costs and Additional Program Costs pursuant to these Bylaws within sixty (60) days after the same shall become due shall be deemed a withdrawal by such Member pursuant to Section 6 of the Agreement unless the Member has petitioned the Board of Directors for an extension of time for payment and the Board of Directors has, by resolution, approved an extension to a date certain and the Member has remitted at least twenty-five percent of its share of the Aggregation Costs and any Additional Program Costs to the Fiscal Agent.

Under no circumstances shall the Fiscal Agent have the power to incur obligations for Aggregation Costs and Additional Program Costs in an amount which exceeds the total unspent amount appropriated for Aggregation Costs or any Additional Program Costs, respectively, and remitted to the Fiscal Agent by the Members pursuant to this Agreement, except as may be permitted by law.

Section 9. Conduct of Meetings.

All meetings provided for in these Bylaws shall be conducted in accordance with the latest edition of Robert's Rules of Order, Revised unless otherwise directed by these Bylaws or by resolution of the Assembly, the Board of Directors, or any Advisory Committee with respect to the meetings of each of those bodies. The chair of each of those bodies shall be the parliamentary

procedure officer and his or her decisions with respect to matters of parliamentary procedure shall be final.

Section 10. Amendments.

These Bylaws may be modified, amended or supplemented in any respect upon approval of the modification, amendment or supplement by at least two-thirds of the Members' representatives, and the approved amendment, modification, or supplement shall only thereupon become binding upon all Members.

Section 11. Initial Operation of the Council.

In the first Fiscal Year of the Council's operation, actions required by these Bylaws to be taken at the annual meeting of the Assembly or the first meeting of the Board of Directors shall be taken as soon as practical upon the establishment of the Council.

Section 12. Authorization of the Council to Initiate, Intervene, and Participate in Federal and State Proceedings.

Pursuant to R.C. Chapter 167, the Agreement, these Bylaws and Ohio law, the Members authorize the Council to initiate, intervene, and/or participate in any utility or other case or proceeding, federal or state, that relates to any electric or natural gas rate, charge, policy, service, regulation, rulemaking, practice or condition affecting any Council Member or Council electricity or natural gas aggregation customer, including, without limitation, those involving transmission, distribution, generation, production, commodity, market design, competition, or otherwise. The Chair and/or the Executive Director of the Council are authorized to engage legal counsel and consultants in connection with the Council's involvement in any such case or proceeding.

ADOPTED this 29th day of November, 2000.

AMENDED this 13th day of November, 2008.

AMENDED this 10th day of November, 2015.

AMENDED this 15th day of November, 2016.

AMENDED this 12th day of November, 2019.

AMENDED this 18th day of November, 2025.

NORTHEAST OHIO PUBLIC ENERGY COUNCIL

Exhibit A

The definition of the Northeast Ohio Region, the Northwest Ohio Region, the Central Ohio Region, the Southwest Ohio Region and the Southeast Ohio Region as used in these Bylaws shall mean the counties identified in each Region as follows on the attached map:

Northeast Ohio Region:

Ashtabula
Columbiana
Cuyahoga
Erie
Geauga
Huron
Lake
Lorain
Mahoning
Medina
Portage
Richland
Sandusky
Seneca
Stark
Summit
Trumbull

Northwest Ohio Region:

Allen
Auglaize
Defiance
Fulton
Hancock
Hardin
Henry
Lucas
Mercer
Ottawa
Paulding
Putnam
Van Wert
Williams
Wood

Central Ohio Region:

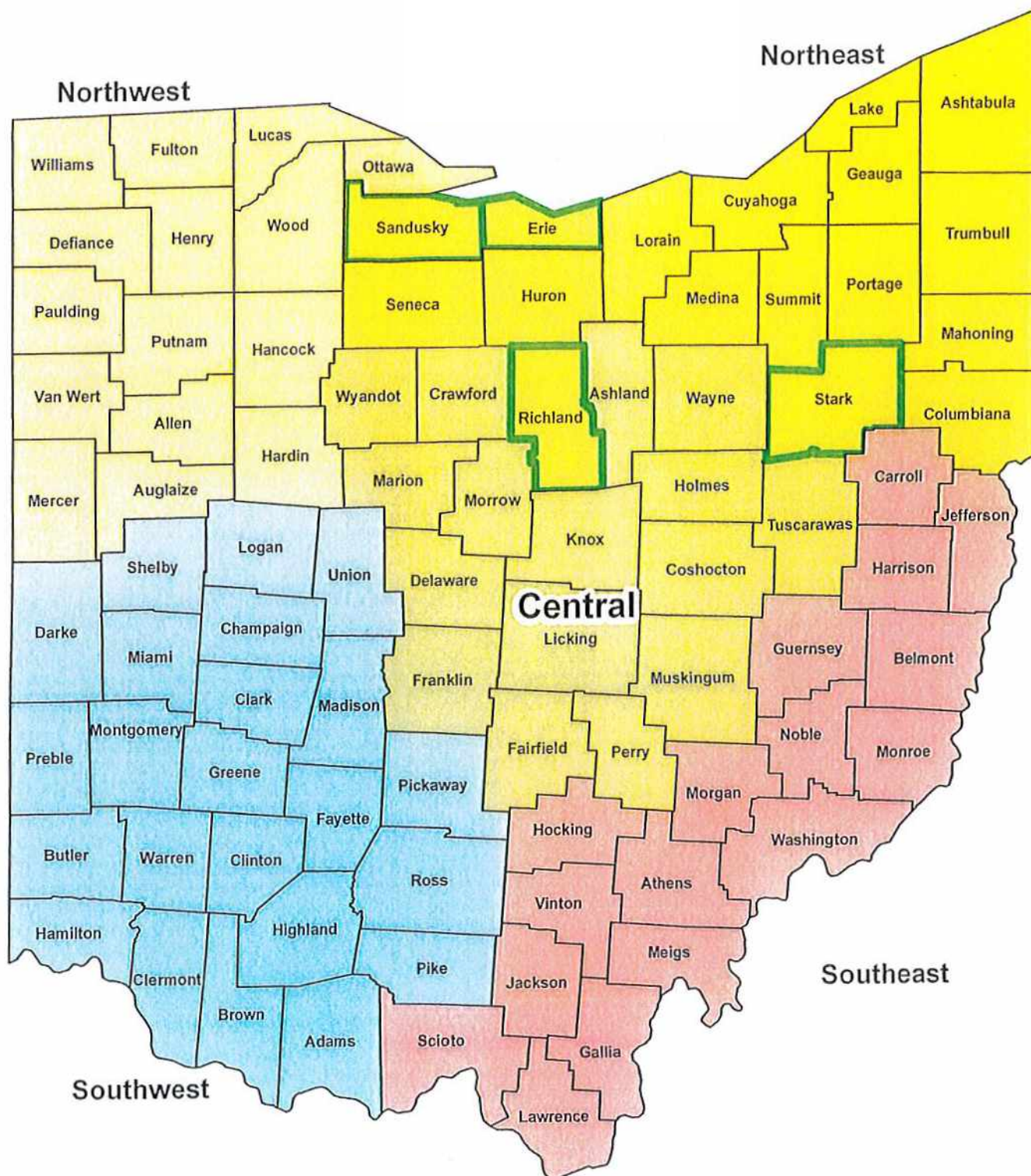
Ashland
Coshocton
Crawford
Delaware
Fairfield
Franklin
Holmes
Knox
Licking
Marion
Morrow
Muskingum
Perry
Tuscarawas
Wayne
Wyandot

Southwest Ohio Region:

Adams
Brown
Butler
Champaign
Clark
Clermont
Clinton
Darke
Fayette
Greene
Hamilton
Highland
Logan
Madison
Miami
Montgomery
Pickaway
Pike
Preble
Ross
Shelby
Union
Warren

Southeast Ohio Region:

Athens
Belmont
Carroll
Gallia
Guernsey
Harrison
Hocking
Jackson
Jefferson
Lawrence
Meigs
Monroe
Morgan
Noble
Scioto
Vinton
Washington



Northeast Ohio Public Energy Council

**ELECTRIC PLAN OF OPERATION &
GOVERNANCE**

For Member Communities

Amended 11/14/17

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Purpose of the Plan of Operation and Governance

This Plan of Operation and Governance (the “Plan”) has been prepared by the Northeast Ohio Public Energy Council (“NOPEC”) on behalf of its approximately 220 member communities in compliance with Ohio law regarding government aggregation of electric consumers (the “Aggregation Program”). The Plan contains information on the structure, governance, operations, management, funding, and policies of the Aggregation Program to be utilized for participating customers in member communities.

NOPEC’s purpose in preparing this Plan is to describe the uniform approach to a customer Aggregation Program undertaken by its member communities. Through NOPEC, the member communities seek to represent consumer interests in competitive markets for electricity. NOPEC seeks to aggregate customers to negotiate the best rates available for the supply and distribution of electricity and to advance consumer protection for all eligible residents, schools, churches, businesses and industries, and governmental entities. NOPEC acts as agent for its member communities and oversees managerial, technical, and financial resources to acquire service and financial guarantees sufficient to protect customers and the electric distribution utility.

Combining consumer interests of the NOPEC member communities increases leverage, resources, and buying power of participating customers in member communities. The Aggregation Program contains two types of aggregations, an Opt-Out Aggregation Program and an Opt-In Aggregation Program. Under the Opt-Out Aggregation Program, participation is voluntary for each individual customer in a member community. Individual customers will be notified of their inclusion in the Opt-Out Aggregation Program and will have the opportunity to decline service. The customers may choose any electric supplier they wish at the outset of the program and at least every three years thereafter. New member communities shall have the opportunity to join NOPEC.

Under the Opt-In Aggregation Program, NOPEC offers customers who live in NOPEC member communities the ability to join the Opt-In Aggregation Program upon their affirmative consent. Customers who want to participate in NOPEC’s Opt-In Aggregation Program can contact the Supplier (defined below) to enroll. Supplier and NOPEC also may contact individuals in NOPEC member communities regarding opt-in opportunities.

NOPEC and Supplier may offer customers more than one product during the Opt-Out Aggregation process and also during the Opt-In Aggregation process. NOPEC also may endorse any competitive retail electric service supplier to offer within NOPEC’s member communities products that are not included in the Aggregation Program (“Endorsement Program”).

The Plan was adopted after public hearings were held in accordance with Section 4928.20(C) of the Ohio Revised Code, and modified in accordance with paragraph 2.5.4.7 of the Plan.

1.0 Overview

1.1 Ohio Law

1.1.1 Senate Bill 3

Ohio law enacted in 1999 allows for competitive purchase of retail power supply. Section 4928.20 of the Ohio Revised Code (“R.C.”) allows municipalities, townships, and/or counties to develop governmental aggregation programs allowing consumers in those communities to join together and utilize their combined purchasing power to competitively acquire firm all-requirements retail electric supply. Communities undertaking development of this option are known as “government aggregators.” This law allows communities acting as government aggregators to join together and combine their resources for development and implementation of an Aggregation Program.

The law contains several requirements for government aggregators. One general requirement is to develop a plan of operation and governance for the aggregation program. The plan of operation and governance is subject to review by citizens in communities undertaking government aggregation, and is also subject to approval and certification by the Public Utilities Commission of Ohio (“PUCO”). The Plan describes the Aggregation Program to be utilized for participating customers in NOPEC communities.

1.1.2 Senate Bill 221

In 2008, Ohio enacted Senate Bill 221, which updated and overhauled Ohio’s public utility laws, and provided special protections to governmental aggregators through the following provisions:

- R.C. 4928.20(I) – incentivizes customer participation in government aggregation by allowing a participating customer to avoid a surcharge proposed to recover deferred generation costs in certain circumstances;
- R.C. 4928.20(J) – allows municipal aggregators to avoid standby charges by electing not to take standby, provider of last resort service from the utility in exchange for agreeing that customers who choose to return to the utility’s standard service offer (“SSO”) would do so at the market price of power;
- R.C. 4928.20(K) – requires the PUCO to insulate governmental aggregations from non-bypassable generation charges and adopt rules that “encourage and promote” large-scale governmental aggregation; and
- R.C. 4928.20(D) – extends the opt-out period for opt-out aggregation programs to three years, meaning each customer of a governmental aggregator must have the right to opt-out of the aggregation at least once every three years without a penalty.

1.2 Description of the Aggregation Program; Enrollment Program

The Aggregation Program involves the acquisition of competitive retail power supply. Distribution services (metering, billing, maintenance of the transmission and distribution system) will continue as the function of the local distribution company. The local distribution company shall also be the “provider of last resort” for consumers not participating in the Aggregation Program who have no other competitive supplier. The NOPEC Aggregation Program required authorization of communities and their constituents in a public process, and contains two types of aggregations, an Opt-Out Aggregation Program and an Opt-In Aggregation Program. NOPEC also may initiate an Enrollment Program whereby it may endorse any competitive retail electric service supplier to offer within NOPEC’s member communities products that are not included in the Aggregation Program.

The Aggregation Program has been undertaken at two levels. At the local level, communities wishing to be government aggregators have authorized the Aggregation Program in a public process as required by law and outlined below in section 1.3. At the regional level, communities wishing to proceed jointly with an Aggregation Program have formed NOPEC as a regional council of government under Chapter 167 of the Ohio Revised Code, which the communities have authorized to perform as their agent for development and implementation of the Aggregation Program. The operations of the Aggregation Program are described in section 2 of the Plan, and the governance of the program is described in section 3 of the Plan.

1.3 Steps Required by the Law

The process of establishing government aggregation involves a multi-step public process undertaken by the member communities or jointly through NOPEC on their behalf. The steps to authorize opt-out and opt-in aggregations are the same, except where noted below:

1.3.1 Local legislative body passes ordinance or resolution authorizing aggregation program for customers;

1.3.2 For opt-out aggregation only, the ordinance or resolution must authorize the local board of elections to submit the question of whether to automatically aggregate to the electors at a special election on the day of the next primary or general election, and be submitted to the local Board of Elections not less than 90 days before the day of the special election;

1.3.3 For opt-out aggregations only, the ordinance or resolution is placed before voters at a special election, or in a referendum petition; approval of a majority of electors voting on the ordinance or resolution is required; or if by petition, signatures of not less than ten percent of the total number of electors in the respective community who voted for the office of Governor in the preceding general election;

1.3.4 Develop a plan of operation and governance and submit the plan of operation and governance to the PUCO for certification;

1.3.5 Publish notice of public hearing on the initial plan of operation and governance once a week for two consecutive weeks before the first public hearing on initial plan of operation

and governance (providing summary of initial plan of operation and governance and the date, time, and location of each hearing);

1.3.6 Hold two public hearings on the initial plan of operation and governance;

1.3.7 Adopt initial plan of operation and governance;

1.3.8 For opt-out aggregation only, notify eligible customers of automatic enrollment and opt-out period prior to service under the Aggregation Program (notification is to state the rates, charges, and other terms and conditions of enrollment);

1.3.9 For opt-out aggregation only, any enrolled customer participating in the Aggregation Program will have the opportunity to opt-out of the Program at least every three years, without paying a switching fee; and

1.3.10 For opt-out aggregation only, notify eligible customers as part of the opt-out notice of the terms and calculation of any applicable deferral-recovery surcharge and NOPEC's process for electing not to receive standby service.

1.3.11 For opt-in aggregation only, market, solicit, enroll, and maintain the contracts of customers under the PUCO's rules and electric distribution utilities' tariffs applicable to competitive retail electric service suppliers that do not automatically aggregate.

1.4 Practical Steps and Requirements of the Competitive Market

Practical steps and requirements of acquiring power supply in the competitive market include the following activities to be undertaken by NOPEC acting as agent for member communities, and the contracted NOPEC Aggregation Program retail electric supplier(s) (the "Supplier(s)");

1.4.1 NOPEC development and release of Request for Proposals;

1.4.2 Proposals submitted by Suppliers and negotiations undertaken with Suppliers by NOPEC and legal and technical advisors;

1.4.3 NOPEC selection of Supplier(s) and execution of one or more supply contract(s) ("Supply Contract(s)");

1.4.4 For the Opt-Out Aggregation Program only:

1.4.4.1 Acquisition of electronic list of eligible customers in member communities from the distribution utility;

1.4.4.2 Notification of opt-out process undertaken by NOPEC and selected Supplier via U.S. mail and utilizing electronic customer list addresses;

1.4.4.3 Electronic customer list revised by NOPEC Supplier who removes responding opt-out customers from the list;

1.4.4.4 Revised electronic customer list transmitted back to the distribution utility for customer transfer;

1.4.4.5 The distribution utility completes administrative transfer of participating customers (via revised electronic list) to NOPEC Supplier;

1.4.5 For the Opt-In Aggregation Program only:

1.4.5.1 Marketing and solicitation of customers within the NOPEC member communities;

1.4.5.2 Customers are enrolled in the Opt-In Aggregation Program by obtaining their affirmative consent directly (in person, by mail or facsimile), telephonically or electronically in accordance with the PUCO's rules and the electric distribution utility's tariff.

1.4.6 Firm all-requirements retail electric supply service initiated to participating customers based on terms and conditions of Supply Contract(s)

1.4.7 NOPEC and legal and technical advisors monitor contract for compliance;

1.4.8 NOPEC acts to protect interests of participating customers in member communities.

2.0 Description of Aggregation Program Goals and Operation

2.1 Aggregation Program Goals

The NOPEC member community goals for the Aggregation Program are stated below. These goals guide the decisions of the NOPEC Assembly and Board of Directors:

- To provide on a non-discriminatory basis an option for aggregation of all customers who qualify under the PUCO's rules and who NOPEC and its Supplier have elected to serve;
- To allow those customers to voluntarily participate in the Aggregation Program;
- To acquire the best market rate available for electricity supply;
- To provide consumer education and enhance consumer protection and options for service under contract provisions;
- To provide managerial, technical, and financial resources to acquire service and financial guarantees sufficient to protect consumers and the electric distribution utility;
- To improve quality and reliability of service;
- To encourage environmental protection through contract provisions;

- To utilize and encourage renewable energy development if and to the extent practicable through contract provisions and voluntary programs;
- To utilize and encourage demand-side management and other forms of energy efficiency through contract provisions and organizational policies;
- To advance specific community goals that may be selected from time to time;
- To provide full public accountability to consumers, and;
- To utilize local government powers and authorities to achieve these goals.

2.2 Aggregation Program Operations

The Aggregation Program is designed to reduce the amount participating customers pay for electric energy over the duration of the Aggregation Program, and to gain other favorable economic and non-economic terms in service contracts, including financial guarantees to protect consumers and the distribution utility. NOPEC shall seek energy prices for each class of customers lower than the comparable price available from the local distribution company over the duration of the Aggregation Program. Large, commercial and industrial customers, due to the varying characteristics of their electric consumption, may receive individual prices from the selected Supplier(s).

As agent for its members, NOPEC does not buy and resell power, but represents consumer interests as a master purchasing agent to set the terms for electricity supply and service from a competitive Supplier(s). Through a request for proposals and negotiation process, NOPEC develops a contract with a competitive Supplier for firm, all-requirements retail electric supply service. The contract is expected to be for a fixed term. NOPEC may contract with one or more Suppliers to meet the needs of participating customers in member communities.

2.3 Aggregation Program Funding

NOPEC offers member communities the opportunity to gain market leverage, share resources, and reduce administrative and other costs for developing, implementing and providing oversight for the Aggregation Program. Funding for these activities is anticipated to be provided by the selected Supplier(s) with an appropriate kilowatt hour charge to all participating customers to cover costs of the program. Such funds will be collected by the Supplier and paid to NOPEC. In the event additional funding for NOPEC is required, each NOPEC member may be assessed an annual fee pursuant to the agreement establishing NOPEC. The funding will be utilized for all Aggregation Program Operations.

2.4 Participation in the Aggregation Program

Opt-Out Aggregation. For purposes of an Opt-Out Aggregation Program, an “eligible customer” constitutes a customer eligible under utility or PUCO rules and which NOPEC and its Supplier have elected to serve. Customers that shall not be included in the Opt-Out Aggregation Program pursuant to utility or PUCO rules include the following:

- A customer located in the certified territory of a non-profit electric supplier;
- A customer served by transmission or distribution facilities of a municipal electric utility;
- A customer that affirmatively chooses to be included on the PUCO's "do not aggregate" list;
- A "mercantile customer" (defined as a commercial or industrial customer that consumes more than seven hundred thousand kilowatt hours per year or is part of a national account involving multiple facilities in one or more states) that fails to affirmatively elect to participate in an aggregation program;
- A customer already in contract with another competitive retail electric service supplier;
- A customer that has opted out of the governmental aggregation program;
- A customer enrolled in the percentage of income payment plan (PIPP);
- A customer that has a special arrangement with the distribution utility; and
- A customer not located within the boundaries of the governmental aggregator's member communities.

Eligible customers shall be notified of the Opt-Out Aggregation Program and terms and conditions of participation prior to initiation of services and be provided an opportunity to "opt-out" at no cost during a 21-day period specified in the terms and conditions of the Supply Contract(s). (See section 2.4.1 below for details of the notification and opt-out process.) Customers may be offered a program electric supply product and one or more optional supply products through the opt-out notice. If options are provided, the customer may decline all products by opting-out of the Opt-Out Aggregation Program. Customers that do not choose to opt-out will be automatically enrolled in the program product, unless they make arrangements with the Supplier, as specified in the opt-out notice, to take one of the optional supply products.

During this 21 day opt-out period customers also may choose another competing supplier, or receive service from their local distribution company. Participating customers will be given the opportunity at least every three years after the initiation of service to opt-out of the Opt-Out Aggregation Program without interruption of their current service, or payment of a penalty or switching fee. Participating customers, who choose to opt-out of the Opt-Out Aggregation Program after the initial 21 day period, but prior to the next opt-out opportunity, may be subject to an early termination fee which will be described in the opt-out notification, if applicable; however, NOPEC intends to offer an Opt-Out Aggregation Program with no early termination fees for customers.

Customers who move to a NOPEC member community (including those who move from another NOPEC member community), and are considered by the distribution utility to be new electric customers, may participate in the Opt-Out Aggregation Program at the existing price and

terms offered for that customer class, or other terms specified under the Supply Contract(s). Such new electric customer can also choose to opt-out of the Opt-Out Aggregation Program at no charge during the initial 21 day period after the postmark date on the opt-out notice and at subsequent opt-out periods of at least every three years.

Opt-In Aggregation. Supplier and NOPEC may contact customers in NOPEC member communities regarding the opportunity to participate in the Opt-In Aggregation Program, or customers may contact the Supplier. Supplier, with NOPEC's consent, will determine the terms and conditions of service, as well as the customers' rates, subject to written policies mutually agreed upon by the NOPEC and Supplier. For purposes of the Opt-In Aggregation Program, customers are enrolled by obtaining their affirmative consent directly (in person, by mail or facsimile), telephonically or electronically in accordance with the PUCO's rules and the electric distribution utility's tariff. Participating customers who terminate their Supply Contract(s) prior to its expiration may be subject to an early termination fee which will be described in their supply contract, if applicable.

Member Communities. New member communities may also join the NOPEC Aggregation Program, under prices and terms contained in an existing Supply Contract(s), however such prices may be higher than for those communities which have joined at the outset of the contract.

2.4.1 Notification of Opt-Out Aggregation Program Customers

Prior to initiation of service, all eligible customers shall be notified of the opt-out terms. The process of notification shall be as follows:

- (1) separate mailings;
- (2) newspaper notices;
- (3) public service announcements; and
- (4) posting of prominent notice in the local government office building in each member community.

Prior to enrollment, the notification shall be mailed in a timely manner for receipt by customers prior to their start-of-service day. The opt-out period shall be 21 days from the notice's postmarked date (or, if none, the mailing date). The notification shall include:

- (A) A summary of all actions taken by NOPEC to authorize the Aggregation Program;
- (B) A description of the services offered by the Opt-Out Aggregation Program;
- (C) Disclosure of the price to be charged (which may be a fixed price, a variable price, or an introductory price);

- (D) A statement informing customers of their the right to opt-out of the Opt-Out Aggregation Program at least every three years, without interruption of their current service, or payment of a penalty or switching fee;
- (E) A statement indicating that any customer returning to the distribution utility after commencement of the Opt-Out Aggregation Program may pay the market price for power;
- (F) A statement informing customers that returning to the distribution utility may not result in that customer being served under the same rates, terms, and conditions as other customers served by the distribution utility;
- (G) An itemized list and explanation of all fees and charges not incorporated in the base Opt-Out Aggregation Program rates but that will be charged for participation in the Opt-Out Aggregation Program;
- (H) Disclosure of the dates covered by the Opt-Out Aggregation Program, including the estimated start date;
- (I) Disclosure of any credit and/or deposit requirements;
- (J) Disclosure of any limitations or conditions on customer acceptance into the Opt-Out Aggregation Program;
- (K) If applicable, inform customers whether NOPEC elected in the best interest of the Aggregation Program not to receive standby service from the electric utility under an approved electric security plan, and inform customers that non-standard service offer rates and conditions may apply if the customer returns to the electric utility after the opt-out period;
- (L) A description of the opt-out process and statement that the opt-out period will last for 21 days from the date of the postmark on the written notice; and
- (M) A customer-friendly opt-out form (*e.g.*, a postcard) to return to NOPEC indicating whether the customer has opted out of the Aggregation Program. Customers who do not return the opt-out form shall be automatically included in the Opt-Out Aggregation Program.

2.4.2 Combination of Electric and Natural Gas Notification

NOPEC may combine natural gas and electric opt-out notifications to eligible customers in NOPEC member communities in one single mailing. Each opt-out notification shall conform to the PUCO's natural gas and electric governmental aggregation rules, and also comply with all applicable provisions of R.C. 4928.20 and R.C. 4929.26.

2.4.3 Activation of Customer Service in a Member Community

Opt-Out Aggregation Program. The process of activation is an administrative function with four parts: 1) Data preparation: On an electronic list consistent with Electronic Data Interface protocols, the distribution utility will identify all eligible customers in the member community (including names, addresses, account numbers, rate codes, percentage of income payment plan codes, and other relevant customer information); 2) Data verification: To the extent needed, if not inherent in data preparation, the distribution utility shall check customer meter numbers and other codes to verify proper eligible customer identification; 3) List Adjustment: Following the opt-out process, the selected Supplier(s) shall remove all customers who choose to opt-out from the electronic customer list 4) Automatic Enrollment: The revised electronic customer list shall be transmitted back to the distribution utility for customer transfer to the selected Supplier(s).

Opt-In Aggregation Program. The Supplier shall obtain the customer's affirmative consent directly (in person, by mail or facsimile), telephonically or electronically in accordance with the PUCO's rules. After completion of the enrollment transaction with the customer, the Supplier shall send an electronic enrollment request to the utility, and the customer will be enrolled in accordance with the PUCO's rules and procedures in the utility's tariff.

Opt-Out and Opt-In Aggregation Programs. Customers on all billing cycles will be enrolled with the selected Supplier(s) consistent with the beginning of a new billing cycle. Service under the selected Supplier(s) shall begin at the start of the billing period following transfer. Service starts that do not match the billing cycle may be requested by a customer, but may incur additional charges from the local distribution company.

2.4.4 New Individual Customers in an Opt-Out Aggregation Program

Eligible customers who relocate to a NOPEC member community shall be included in the Opt-Out Aggregation Program, subject to their opportunity to opt-out. The selected Supplier(s) shall provide standard opt-out notification materials to customers who have relocated to member communities, or customers who otherwise are eligible to join the Opt-Out Aggregation Program. The new customer may participate in the Opt-Out Aggregation Program at the existing price and terms offered for that customer class. Any such new or otherwise eligible electric customer can also choose to opt-out of the Aggregation Program at no charge during any other required opt-out period.

2.4.5 Customer Switching Fee

Initial Switching Fee. The electric distribution utilities currently providing distribution service to NOPEC members under the Aggregation Program have exempted governmental aggregation programs from being charged a switching fee when they initially switch from the SSO to Aggregation Program. If, however, Supplier incurs a switching fee, Supplier shall be responsible for payment of the customer switching fee to the applicable electric distribution utility.

Subsequent Switching Fee. The Supplier may pass through to the customer any fee that the electric distribution utility charges for switching suppliers after the customer's initial switch to the Aggregation Program.

2.4.6 Election of Standby Service

If standby service is approved by the PUCO, Ohio law allows NOPEC to decide whether receiving and paying for standby service is in the best interest of the participating Aggregation Program customers. If NOPEC elects not to receive and pay for standby service from the distribution utility, NOPEC will inform Opt-Out Aggregation Program customers of its decision through an opt-out notice, and will inform Opt-In Aggregation Program customers by regular U.S. Mail or electronic mail, depending upon their preference. The notices will provide customers the opportunity to terminate participation in the Aggregation Program without penalty and will inform customers that when they return to the distribution utility, they will be charged the market price of power plus any amount attributable to the distribution utility's compliance with the State of Ohio's alternative energy portfolio standards. The market price and alternative energy amount will continue to be charged until the end of the approved electric security plan, or as otherwise approved by the PUCO.

2.4.7 Phase-In Generation Deferral Surcharge

If the PUCO authorizes a phase-in of electric generation rates under R.C. 4928.144 and a corresponding deferral of incurred costs, Ohio law allows the distribution utility to recover a portion of this amount from the Aggregation Program customers through a surcharge. The amount of the surcharge will be proportionate to the benefits Aggregation Program customers receive, and will be charged to each Aggregation Program customer while they remain a participant. For customers leaving the Aggregation Program, the otherwise applicable surcharge will apply. NOPEC will inform Opt-Out Aggregation Program customers through the opt-out notification process, and will inform Opt-In Aggregation Program customers by regular U.S. Mail or electronic mail, depending upon their preference, of the potential terms and calculation of any deferral surcharge approved by the PUCO. The notices will provide customers the opportunity to terminate participation in the Aggregation Program without penalty.

2.4.8 Individual Customer Termination of Participation

Termination of Participation in the Opt-Out Aggregation Program. In addition to the opportunity to opt-out of the Opt-Out Aggregation Program prior to start-up of service, an individual customer will be given an opportunity to opt-out at no charge at least every three years after start-up of service. However, an individual Opt-Out Aggregation Program customer who chooses to opt-out after the 21-day opt-out period and before the opportunity to opt-out may be required to pay an early termination fee; however, NOPEC intends to offer an Opt-Out Aggregation Program with no early termination fees for customers. Any obligation to pay an early termination fee will be made a part of the customer Supply Contract(s). Opt-Out Aggregation Program Customers who move from a member community will have no penalties or early termination fees.

Termination of Participation in the Opt-In Aggregation Program. An individual Opt-In Aggregation Program customer who chooses to terminate participation in the Aggregation Program before the expiration of the customer's Supply Contract(s) may be required to pay an early termination fee, if applicable. Any obligation to pay an early termination fee will be made a part of the customer supply contract(s). Opt-In Aggregation Program Customers who move from a member community will have no penalties or early termination fees.

2.4.9 Service Termination by Supplier

Consistent with the requirements of Ohio law and the regulations of the PUCO, termination of service may take place for non-payment of bills. Customers whose power supply is terminated by a selected Supplier will receive electric supply from their local distribution company, unless the local distribution company has also met state requirements to terminate service. Customers may be considered for re-enrollment in the Aggregation Program once they have met the requirements of law and are current on bill payment.

2.4.10 Termination of the NOPEC member Aggregation Program

The NOPEC Aggregation Program may be terminated for participating customers in two ways:

- (1) Upon the termination or expiration of the power Supply Contract(s) for all member communities without any extension, renewal, or subsequent Supply Contract(s) being negotiated; or
- (2) At the decision of an individual member community to cancel its membership in NOPEC.

In any event of termination, each individual customer receiving power supply services under the Aggregation Program will receive notification of termination of the program ninety (90) days prior to such termination. Customers who are terminated from the Aggregation Program shall receive power supply from the local distribution company unless they choose an alternative supplier.

NOPEC shall utilize appropriate processes for entering, modifying, enforcing, and terminating agreements pertinent to the Aggregation Program consistent with the requirements of local ordinances or resolutions, state and federal law. Other agreements shall be entered, modified, or terminated in compliance with the law and according to the express provisions of any negotiated agreements.

2.5 Customer Care

2.5.1 Universal Access

"Universal access" is a term derived from the traditional regulated utility environment in which all customers desiring service receive that service. For the purposes of the NOPEC Aggregation Program, this will mean that all customers within the borders of a member

community, and all new customers in a member community, shall be eligible for service from the contracted Supplier under the terms and conditions of the Supply Contract(s), consistent with the PUCO's rules.

2.5.2 Rates

Under PUCO orders, the local distribution company assigns the customer classification and corresponding character of service and associated regulated rates. These rates include a monthly customer charge, a distribution charge, a transmission charge, and an access charge. Although NOPEC may participate in regulatory proceedings and represent the interests of customers regarding these regulated rates, it will not assign or alter existing customer classifications without the approval of the PUCO.

The focus of the NOPEC Aggregation Program, as noted above, will be acquisition of competitive prices and terms for power supply. The prices will be set through a competitive request for proposals and contract and negotiation process, and will be indicated on the customer bill as the "generation charge." Ohio law requires that a government aggregator separately price competitive retail electric services and that the prices be itemized on the bill of a customer or otherwise disclosed to the customer. The generation charge for each customer class, or any customer grouping by load factor or other appropriate pricing category, is expected to be lower than the utility's standard offer generation charge over the duration of the Aggregation Program. All Supplier charges to the customer will be fully and prominently disclosed under the notification process.

2.5.3 Costs To Customers

Customer bills will reflect all charges for the administrative costs of the Aggregation Program. As noted in section 2.3, the program is expected to be funded by a mills per kilowatt hour charge. This charge will cover program costs for any necessary technical or legal assistance for the program.

Additional charges may be levied by the selected Supplier(s), the local distribution company, or PUCO-approved local distribution tariffs.

2.5.4 Consumer Protections

Regarding all issues of consumer protection (including provisions relating to slamming and blocking), NOPEC will ensure that the selected Supplier(s) comply with all statutes, rules and regulations currently in place and as may be amended from time to time. NOPEC will provide on-going consumer education in member communities through public service announcements, posting of information, media press releases, advertising, and direct mailing depending upon the subject and appropriate venue. NOPEC will also assist member communities with all required notifications, information, and public hearings.

2.5.4.1 Contract Disclosure

NOPEC will ensure that customers are provided with adequate, accurate and understandable pricing and terms and conditions of service.

2.5.4.2 Billing and Service Assistance

The selected Supplier(s) shall utilize the billing services of the local distribution company to render timely billings to each participating customer. Separate bills from the selected Supplier(s) and the local distribution company may also be requested for large commercial and industrial customers, but such separate bills may incur an additional charge from the selected Supplier(s).

All bills at a minimum shall include the following information: (1) price and total billing units for the billing period and historical annual usage; (2) to the maximum extent practicable, separate listing of each service component to enable a customer to recalculate its bill for accuracy; (3) highlighted and clear explanations, for two consecutive billing periods, of any changes in the rates, terms, and conditions of service; (4) identification of the supplier of each service; (5) statement of where and how payment may be made and (6) a toll-free or local customer assistance and complaint number for the Supplier, as well as a customer assistance telephone numbers for state agencies, such as the PUCO and the Office of the Consumers' Counsel, with the available hours noted.

Credit, deposit, and collection processes concerning billing will remain the sole responsibility of the selected Supplier(s) and the local distribution company as provided by state law. Under no circumstances shall NOPEC have any responsibility for payment of any bills.

Unless otherwise specified in the Supply Contract(s), all billing shall be based on the meter readings generated by meters of the distribution company at the customer facilities. Customer bills shall be rendered monthly. Customers are required to remit and comply with the payment terms of the distribution utility and/or the Supplier. Billing may take place through the distribution company, at the Supplier's option, in the event that necessary billing data is not received from the distribution company in time to prepare monthly bills, the Supplier reserves the right to issue a bill based on an estimate of the participating customer's usage for that billing period. Any over-charge or under-charge will be accounted for in the next billing period for which actual meter data is available.

2.5.4.3 Standard Terms and Conditions Pertaining to Individual Account Service

The following consumer protection provisions are anticipated to be contained in a Supply Contract(s).

A. Title: Title to and risk of loss with respect to the electric energy will transfer from Supplier to participating customer at the Point-of-Sale which is the customer side of the meter.

B. Initiation of Supply Service: Energy deliveries pursuant to the Supply Contract(s) will begin on the first meter reading date following the scheduled initiation of service date for each rate class or customer group, or individual customer as described in the Supply Contract(s), or as soon as necessary arrangements can be made with the distribution company thereafter and will end on the last meter reading date prior to the expiration date. The Supplier has the right to request a "special" meter reading by the distribution company to initiate energy

delivery and agrees to accept all costs (if any) for such meter reading. The participating customer also has such a right, and similarly would bear the costs (if any) of such special meter reading.

C. Standard Limitation of Liability: Recognizing that electricity provided under the Supply Contract(s) shall be ultimately delivered by the distribution company, to the extent permitted by law, the Supplier shall not be liable for any damage to a participating customer's equipment or facilities, or any economic losses, resulting directly or indirectly from any service interruption, power outage, voltage or amperage fluctuations, discontinuance of service, reversal of service, irregular service or similar problems beyond the Supplier's reasonable control. To the extent permitted by law, except as expressly stated in the Supply Contract(s), the Supplier will make no representation or warranty, express or implied (including warranty of merchantability or of fitness for a particular purpose), with respect to the provision of services and electric energy.

D. Service Reliability and Related Supplier Obligations: Given the increasing interest in and need for high levels of reliability, the Supply Contract(s) will help assure that participating customers in NOPEC member communities receive power supply with reliability equal to that of native load customers of the distribution company. The Supplier is providing generation and transmission services, and participating customers must rely upon the distribution company for regional transmission, and local transmission and distribution services for ultimate delivery of electricity where reliability problems commonly occur. However, within the scope of electric energy supplier obligations, the Supplier shall take or adopt all reasonable steps or measures to avoid any unnecessary outages, service interruptions, capacity shortages, curtailments of power supply, voltage reductions, and any other interference or disruption of electric supply to the Point-of-Delivery, and shall give the highest priority of supply to the electricity made available under the Supply Contract(s) consistent with the requirements of law and equivalent to network service available to native load customers.

In addition to language to be included in the Supply Contract(s) NOPEC will help to assure reliability through participation in proceedings related to the distribution utility or its operating companies' regulated transmission and distribution services and through direct discussions with the distribution utility and its operating companies concerning specific or general problems related to quality and reliability of transmission and distribution service.

E. Marketing and Solicitation Limitations: Participating customers will be protected from unwanted marketing solicitations by: (a) a prohibition that the selected Supplier(s) may not sell or exchange the customer's name/address/or other identifying information to third parties without NOPEC's prior written consent; (b) an opportunity for each participating customer to check off a box rejecting additional mail solicitations from the Supplier (if the solicitation is via U.S. mail or other printed means) or an opportunity to request removal from a telephone solicitation list

2.5.4.4 Protection of Customers and Risk Associated with Competitive Market

In a competitive market it is possible that the failure of a power supplier to deliver service may result in the need for customers to acquire alternative power supply, or for customers to

receive power at default service prices, if the SSO is no longer available. NOPEC will seek to minimize this risk by recommending only reputable Suppliers which, demonstrate financial strength and the highest probability of reliable service. NOPEC also intends to include provisions in its contract with selected Supplier(s) that will protect customers against risks or problems with power supply service.

2.5.4.5 Resolution of Customer Complaints

It is important that customer complaints be directed to the proper party. The selected Supplier(s) shall ensure that each participating customer receives a printed copy of a toll-free number to call regarding service problems or billing questions. The Supplier shall refer reliability, line repair, or service interruption, and billing issues to the local distribution company. The Supplier shall handle all complaints in accordance with applicable laws and regulations. Problems regarding the selected Supplier(s) can be directed to NOPEC or the PUCO. Customers may contact the Public Utilities Commission of Ohio for assistance at 1-800-686-7826 (toll free) or for TTY at 1-800-686-1570 (toll free) from 8:00 a.m. to 5:00 p.m. weekdays, or at www.PUCO.ohio.gov. The Office of the Ohio Consumers' Counsel ("OCC") represents residential utility customers in matters before the PUCO. The OCC can be contacted at 1-877-742-5622 (toll free) from 8:00 a.m. to 5:00 p.m. weekdays, or at www.pickoc.org. NOPEC's website is www.nopecinfo.org. As noted below, NOPEC will continue to monitor the selected Supplier(s) for compliance with consumer protection provisions in the Supply Contract(s) and timely resolution of consumer problems.

2.5.4.6 Periodic Reports on Customer Complaints

NOPEC shall act to monitor and enforce consumer protection provisions included in the Supply Contract(s). At the request of NOPEC, true selected Supplier(s) shall provide a periodic summary of the number and types of customer service issues and complaints that arose to date, and the status of resolution of those issues and complaints. If such reports indicate problems in the selected Supplier's service, NOPEC will pursue timely remedial action, or consider the Supplier in breach of Supply Contract(s) terms.

2.5.4.7 Modifications to NOPEC's Plan

All material modifications to the NOPEC Plan shall be approved by majority vote of the NOPEC Board of Directors and ratified by a majority vote of the NOPEC General Assembly. By adopting this Plan, NOPEC member communities agree that future modifications to the Plan resulting from changes in law or regulations may be made automatically by NOPEC without further action of the NOPEC members or General Assembly.

2.6 Rights and Responsibilities of Program Participants

2.6.1 Rights

All Aggregation Program participants shall enjoy the protections of consumer law as they currently exist or as they may be amended from time to time. Under protocols developed by the PUCO, problems related to billing or service shall be directed to the appropriate parties: the distribution utility or the selected Supplier(s).

2.6.2 Responsibilities

All Aggregation Program participants shall meet all standards and responsibilities required by the PUCO, including timely payment of billings and access to essential metering and other equipment to carry out utility operations.

2.6.2.1 Taxes

The selected Supplier(s) shall include on the participating customer's bill and remit to the appropriate authority all sales, gross receipts, or excise or similar taxes imposed with respect to the consumption of electricity. Participating customers shall be responsible for all taxes (except for taxes on the Supplier's income). Participating customers shall be responsible for identifying and requesting any applicable exemption from the collection of any tax by providing appropriate documentation to the Supplier.

3.0 Organizational Structure and Governance of the Aggregation Program

3.1 Description of Organization and Management of Aggregation Program

Each NOPEC member community has one representative on the NOPEC Assembly, which serves as the legislative body for the organization. Assembly members from each county represented in the membership of NOPEC elect a member to the Board of Directors.

NOPEC acts as agent for member communities to establish the Aggregation Program in accordance with law and to provide managerial, technical, and financial resources to acquire service and financial guarantees sufficient to protect customers and the electric distribution utility. NOPEC has developed a firmly based organization and employed legal and technical assistance from experienced and highly reputable firms.

NOPEC's legal counsel, Bricker & Eckler LLP, handles the legal needs of energy producers, energy consumers in both the public and private sector, as well as new energy marketers, providing legal services ranging from representation in regulatory proceedings, to negotiating new contractual relationships, to handling the acquisition, disposition and financing of energy businesses and facilities. Bricker & Eckler LLP has advised numerous Ohio political subdivisions in connection with the deregulation of energy markets in Ohio, and developed particular expertise in issues facing governmental aggregators.

The Board of Directors of NOPEC oversees the implementation and operation of the Aggregation Program consistent with the provisions of R.C. 4928.20 and the Bylaws of the NOPEC organization. The Board of Directors, with the approval of the Assembly, may also develop additional programs for members. The organization may employ a Fiscal Agent and Executive Director and staff, if such are determined to be necessary by the Board, and sufficient budget has been provided.

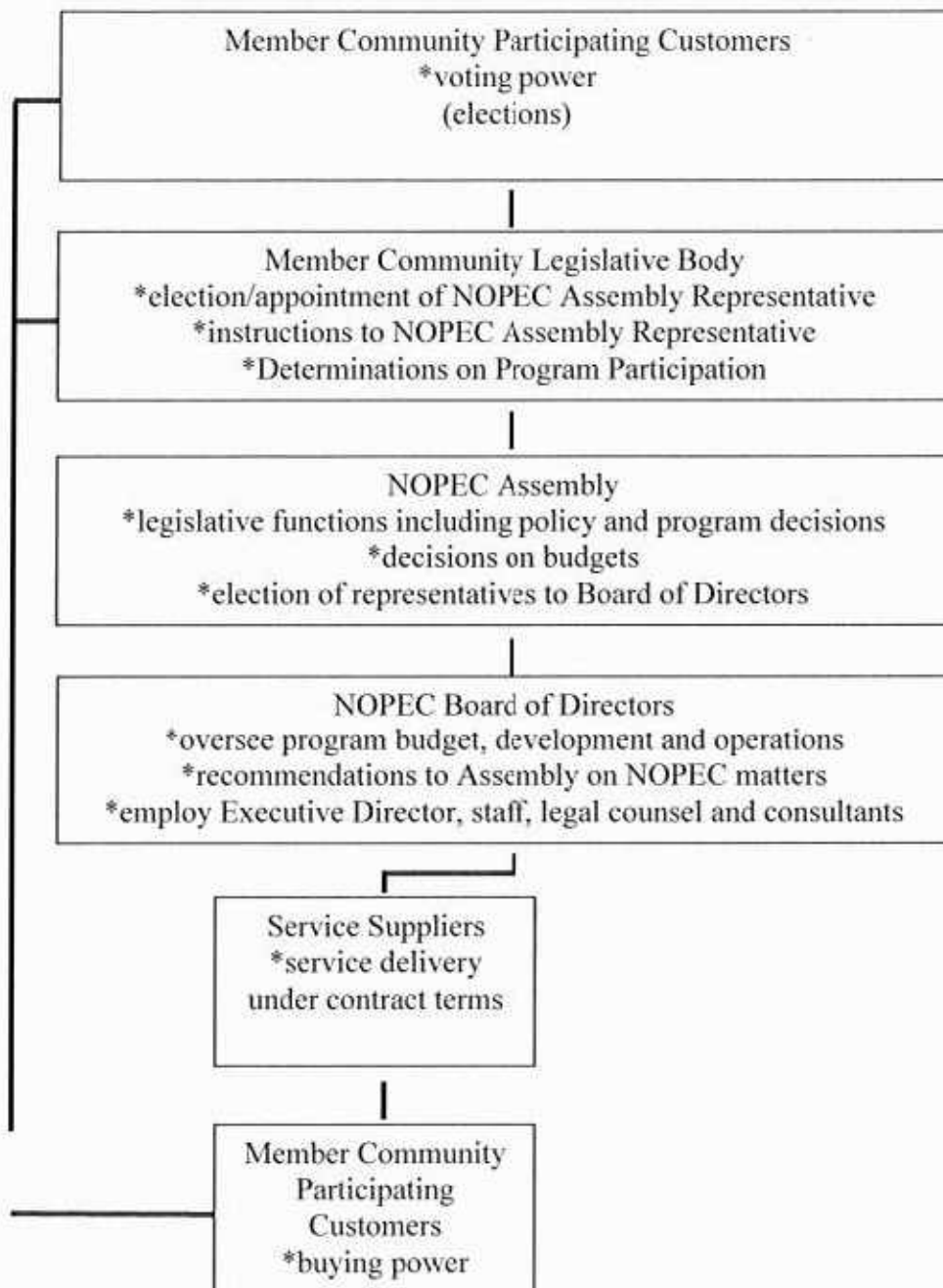
3.2 Outline of Structure

The following chart represents the organizational structure for the NOPEC Aggregation Program as indicated in the organizational chart. The function of each level is described in section 3.3.

NOPEC Member Aggregation Program Organizational Structure

NOPEC Member Aggregation Program

Organizational Structure



3.3 Description of Program Organizational Structure

Member Community Participating Customers

Customers can influence their respective community and its functions. They can elect candidates to local legislative boards who may take positions regarding the government aggregation program. They can express their views to their local elected officials. They can participate in local and state meetings and hearings regarding issues related to the member community's Aggregation Program.

Member Community Legislative Body

Local officials may act on program and policy issues. They may individually choose to participate in additional programs of NOPEC, or terminate the community's participation in NOPEC. In addition, they may provide instructions to their representative on the NOPEC Assembly regarding specific policy or program decisions. They may also raise issues directed to them by customers for the NOPEC Assembly and Board to address.

NOPEC Assembly

The NOPEC Assembly acts as the legislative body of NOPEC, including decisions on policy, budget, and other matters directed to it by the Board of Directors.

NOPEC Board of Directors

The NOPEC Board of Directors oversees the implementation and operation of all aspects of the Aggregation Program. The Board of Directors provides recommendations regarding contracts, the budget and other matters to the Assembly. It approves purchases of equipment, facilities, or services within the approved budget and employs and provides instruction to the Executive Director, staff, legal counsel and consultants.

Executive Director and Staff, Legal Counsel and Consultants

Executive Director and staff, legal counsel and consultants act upon the instructions of the Board of Directors to carry out development and implementation of programs, contract monitoring, and reporting on program status.

Service Supplier(s)

Service suppliers contract with NOPEC to provide firm all-requirements retail electric supply to participating customers in member communities, or other specified services. Contractors report to NOPEC and carry out services in adherence to contract provisions.

Member Community Participating Customers

Participating customers in member communities will benefit from the market leverage of the group, and the professional representation and consumer protections provided under the negotiated service contracts. Individual customers may opt-out of participation and may also bring issues before their local legislative body.

June

2026

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	1	2 Development – 6:30 pm City Council – 7:30 pm	3	4 BZA – 6:30 pm CANCELLED	5	6
7	8	9 Finance – 7:00 pm	10 P&Z -6:30 pm	11	12	13
14	15	16 Operations – 6:30 pm City Council - 7:30 pm	17	18	19 JUNETEENTH City Offices Closed POWELL FESTIVAL	20 POWELL FESTIVAL
21	22	23 Powell Development Corporation – 12:00 pm	24	25	26	27
28	29	30				

July

2026

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
			1	2 BZA – 6:30 pm	3 Independence Day Observation – City Offices Closed	4
5	6	7 Development – 6:30 pm - CANCELLED City Council – 7:30 pm - CANCELLED	8 P&Z -6:30 pm	9	10	11
12	13	14 Finance – 7 pm	15	16	17	18
19	20	21 Operations – 6:30 pm City Council - 7:30 pm	22	23	24	25
26	27	28 Powell Development Corporation – 12:00 pm	29	30	31	