



NEWS RELEASE

From Mayor Dean DePiero

FOR IMMEDIATE RELEASE
Tuesday, June 23, 2009

Contact: Jack P. Marschall
(440) 885-8181 or (216) 346-9935 (cell)

PARMA RESIDENTS BENEFIT FROM DISCOUNT ON ELECTRIC BILLS

(PARMA) – Residents in the City of Parma will soon be seeing discounts on their electric bills under a new agreement with FirstEnergy Solutions (FES), a subsidiary of FirstEnergy Corp. FES currently has aggregation agreements for residential and small commercial customers in almost 50 communities in Ohio.

“This will help to create a real savings for Parma residents and I couldn’t be happier,” said Parma Law Director Timothy Dobeck. “This new contract is something residents can look forward to, and it’s a credit to FirstEnergy Solutions to make the three year agreement a reality.”

According to FirstEnergy, statewide, approximately 585,000 residential and small commercial customers will receive discounts off the generation and transmission component of their bills through aggregation contracts with FES. Discounts under the contracts will be effective beginning in late summer or early fall, depending on when customers’ meters are read.

A news release from FES explains the discount process as follows: “The governmental aggregator may choose between two agreements – a graduated or a flat percentage discount. The graduated discount plan offers savings of 10 percent in 2009, 6 percent in 2010, 5 percent in 2011 and 4 percent in 2012. The flat-rate percentage contract offers a 6 percent discount on generation prices through the end of the contract.” The City of Parma elected the flat 6 percent discount that is estimated to provide the greatest economic value to its residents over the term of the deal. This multi-year agreement secures pricing at a historical low point in the market place.

“The bottom line is the bottom line for our residents,” said Parma Mayor Dean DePiero. “Residential savings on a utility bill in this tough economy is needed now more than ever. I appreciate the hard work done by Law Director Dobeck and the positive economic impact it will have on folks living in Parma.”

Parma had been offering residents the utility aggregation discount program until the previous contract with FES expired. FES states: “Under Ohio law, communities are able to form governmental aggregation buying groups to arrange for electricity, natural gas, or both on behalf of their citizens.

(more)

The governmental aggregator chooses an alternate supplier for all of the members in its group. Customers may opt out of the aggregation program and shop for a supplier or accept the standard rate offered by their utility.”

According to FES, electricity prices were established by a competitive bidding process (CBP) that was conducted for Ohio Edison, Toledo Edison and The Illuminating Company in May, 2009. That process secured generation supply and determined pricing for the period of June 1, 2009, through May 31, 2011. Generation discounts beyond that period will be based on the yet-to-be established generation price.

To learn more about FES’ government aggregation programs, community officials are encouraged to call FES’ Government Aggregation Program Manager, Brenda Fargo, at (330) 315-6898 or visit www.firstenergysolutions.com.

###