



Your Experts in Electricity Savings.®

[Title] [First] [Middle] [Last] [Last1]
[Mailing address]
[Mailing City], [Mailing State] [Mailing Zip]

IMPORTANT INFORMATION
From the City of Mount Vernon and AEP Retail Energy Regarding your Electricity Service.

Dear [First] [Middle] [Last] [Last1]:

The City of Mount Vernon and AEP Retail Energy have partnered to offer residents 9% off the average AEP Ohio rate.

We are pleased to announce that the City of Mount Vernon has selected AEP Retail Energy, the non-regulated subsidiary of American Electric Power, as its preferred electric provider. Under this arrangement, AEP Retail Energy is providing the City of Mount Vernon residents an exclusive offer of 9% off the average AEP Ohio rate. This program is designed to save money and protect your service against potential utility rate increases through the February 2014 billing period. Please enroll by December 23, 2011.

The City of Mount Vernon's Electric Program is a Smart Choice:

- It's Easy to Participate. To enroll in the City of Mount Vernon's Electric Program...
Receive Electricity Savings. The City of Mount Vernon has negotiated a savings of 9% off the average AEP Ohio rate...
Continue to Receive One Bill. AEP Ohio, will continue to send you your monthly electric bill and you will continue to remit one payment to them for their charges and AEP Retail Energy's charges.

Your service may begin as early as your December 2011 billing period or your next applicable meter-reading date depending upon when you start the program. AEP Retail Energy will work with AEP Ohio to process your enrollment request. Once enrolled, AEP Ohio will mail you an enrollment confirmation letter. There is no need to respond to the utility's enrollment confirmation letter if you wish to participate in this program.

Also, if you have additional questions please see the enclosed Frequently Asked Questions for more details. We hope you will take advantage of this exclusive offer!

Respectfully,

Richard K. Mavis
Richard K. Mavis
Mayor
City of Mount Vernon

David Hesser
David Hesser
General Manager
AEP Retail Energy



ENROLLMENT CONSENT FORM
Please print clearly.

Fill in your AEP Ohio SDI (17 numbers), the SDI is located on your AEP Ohio utility bill on page 1 above Generation service charges.

0 0 1 4 0 0 6 0 7

Can't find your SDI? Please include your utility bill with this form.

Account Owner Name:

<ADDRESS>
<CITY, STATE ZIP>

County Phone: () Email:

Signature: Date:
(Required)

Yes, I Want to Enroll in the City of Mount Vernon's Electric Program: 9% off the average AEP Ohio Generation and Transmission rate through February 2014 billing cycle. Promo Code: <XXXXXX>

By signing this Enrollment Consent Form, I am authorizing AEP Retail Energy to be my electricity provider, obtain information about my account and process my enrollment with AEP Ohio-Ohio Power Company under the enclosed stated Terms and Conditions which I have read and agreed to.

- Yes, AEP Retail Energy may email me account and promotion information.
Check here if you have a different mailing address and please provide it on the back of this form. If any of the other information is incorrect, please call us to enroll.

Frequently Asked Questions

Who is AEP Retail Energy?

AEP Retail Energy is a certified retail electric service provider and a non-regulated subsidiary of American Electric Power (AEP). AEP Retail Energy is headquartered in Columbus, Ohio and sells electricity to customers at market-based prices rather than regulated rates offered by your local utility, AEP Ohio.

What is electricity deregulation?

Put simply, there are three major components in supplying electricity:

- Generation (the actual electricity supply)
- Transmission (large transmission lines and towers that carry electricity over longer distances)
- Distribution (local electric poles and wires)

In Ohio, customers are free to choose who supplies the Generation and Transmission portion of their electricity service. They can purchase these services from a Certified Retail Electric Service (CRES) provider such as AEP Retail Energy.

How is this program possible?

The Ohio Electric Choice Program was created to give Ohioans a choice of electricity providers. When choosing an alternate electricity provider like AEP Retail Energy, you are able to keep the EXACT same electricity service except you pay a lower price per kWh.

Why should I sign up?

Current market conditions have resulted in lower wholesale electricity prices. AEP Retail Energy buys electricity in bulk and passes on the savings to you—our customer. AEP Retail Energy will not charge you any switching fees at this time.

How will I be billed for the amounts I owe to AEP Retail Energy?

You will continue to receive one bill each month from your local utility. The amount that you owe to AEP Retail Energy will be separately stated on your bill and you will continue to make payments to AEP Ohio only.

Where does AEP Retail Energy provide services?

Currently, AEP Retail Energy is certified to offer competitive Generation and Transmission services to customers served

by the following electric distribution companies: Dayton Power & Light, Duke Energy, Cleveland Electric Illuminating, Toledo Edison, Ohio Edison and AEP Ohio (Columbus Southern Power and Ohio Power).

Why can't my local utility simply lower my current rate?

AEP Ohio is regulated and charges rates approved by the Public Utility Commission of Ohio (PUCO). AEP Retail Energy is a competitive provider of electricity and can sell electricity at prices that more closely reflect current market conditions. When market prices decrease, AEP Retail Energy is able to react with lower prices to help you save money. You may enroll with AEP Retail Energy to receive your electricity savings.

If I sign up, when will my new price begin?

Your supply price per kWh will begin on the next available meter-read date after AEP Ohio accepts your enrollment as a customer of AEP Retail Energy.

What happens when my initial agreement expires?

Once the term of your agreement with AEP Retail Energy expires, you may choose to automatically renew on a month-to-month basis at a variable price where you get the best price based upon the current market conditions. Or if you like the security of our price plans, you may enroll in our current plan available prior to the expiration of your initial agreement with us.

What if I try it and don't like it?

If you enroll with AEP Retail Energy, and change your mind, you have 7 days to rescind. With our price plans, you can cancel at any time with a cancellation fee as stated in the Agreement.

Who do I call if my power goes off?

You will continue to call AEP Ohio for all service-related issues, such as outages, meter readings, and billing questions.

Ready to start saving money on your electricity bill?

Sign up now by calling 1-855-299-7372 to enroll.

Offer expired December 23, 2011. ¹Service is subject to enrollment processing timelines as determined by your local utility and the Terms and Conditions of Agreement. You are eligible to participate if you: a) have a residence located in the specified city receiving electric service from AEP Ohio; b) are current with your electric payments, c) are not enrolled in the PIPP program. Acceptance is subject to the Terms of the Agreement between the specified city and AEP Retail Energy. ²AEP Retail Energy's price excludes utility charges and taxes. The offer may be subject to early cancellation fees and availability. AEP Retail Energy is a competitive retail electric service provider. While it is an affiliate of Columbus Southern Power Company and Ohio Power Company (AEP Ohio), AEP Retail Energy is not soliciting on behalf of and is not an agent for AEP Ohio. AEP Ohio customers do not need to purchase any competitive retail electric service from AEP Retail Energy to receive or to continue to receive noncompetitive retail electric service from AEP Ohio.

Please fill out if you have a different mailing address.

Mailing Address: _____

City: _____ State: _____ Zip: _____

INITIAL TERM	GENERATION SERVICE CHARGES	CANCELLATION FEE	CONTRACT RENEWAL
Through the February 2014 billing cycles ("Initial Term")	A calculated price equal to 9% off the average residential utility rate until such time the EDU is capable of invoicing percent-off products. Thereafter, the customer will be invoiced at 9% off the monthly Price to Compare. Price excludes taxes and utility delivery charges and other utility charges and fees.	You may cancel within the 7- day rescission period without penalty. If you terminate after the rescission period there will be a \$25 fee. See Section 6 for details.	Your Agreement will automatically continue on a month-to-month basis with no termination fee. See Section 8 for details.

CONDITIONS. These Terms and Conditions together with the Enrollment Consent Form are your Agreement for electric generation service with AEP Retail Energy Partners LLC ("AEP Retail Energy"). Please keep a copy of this Agreement for your records. AEP Retail Energy is certified by the Public Utilities Commission of Ohio ("PUCO") to offer and supply electric generation services in Ohio. As a Competitive Retail Electric Service ("CRES") provider, AEP Retail Energy will supply the electric generation and provide transmission services to your Electric Distribution Utility ("EDU") based on your usage. Your EDU then distributes or delivers the electricity to you. Your distribution service will remain with your current EDU, which is regulated by the PUCO.

DEFINITIONS: "Competitive Retail Electric Service Provider" or "CRES" provider means, as defined by Chapter 4901:1-21 of the Substantive Rules applicable to electric service providers, an entity that sells electric energy to retail customers in Ohio. "Generation Service" means the production of electricity. "Generation Related Charges" means those charges or costs associated with the production, procurement and supply of electricity. "Transmission Service" means moving high voltage electricity from a generation facility to the distribution lines of an EDU. "Distribution Service" means the physical delivery of electricity to customers by the EDU.

RIGHT OF RESCISSION. Once you have been enrolled to receive generation service from AEP Retail Energy, your EDU will send you a confirmation letter. You have the right to rescind your enrollment without penalty within seven (7) calendar days following the postmark date of the confirmation letter by contacting your EDU and following the instructions contained in the letter. The Right of Rescission only applies when you initially switch to AEP Retail Energy and not upon renewal. Your EDU will not send a confirmation notice upon any renewal of this Agreement.

TERMS AND CONDITIONS OF SERVICE

- Eligibility.** Residential customer accounts that are on residential rate codes and are not enrolled in the Percentage of Income Plan Program (PIPP) are eligible for this offer from AEP Retail Energy. AEP Retail Energy reserves the right to refuse enrollment to any residential customer with an outstanding, unpaid electric bill.
- Basic Service Prices.** During the term of this Contract, you agree to pay AEP Retail Energy a price for all applicable combined electric Transmission, Generation and Generation Related Charges as specified in the Enrollment Consent Form including any applicable taxes, if any. Price: For the billing months listed on the Enrollment Consent Form, all kilowatt-hours ("kWh") of electric energy metered by the EDU shall be billed at the rate per kWh specified in the Enrollment Consent Form. In addition to AEP Retail Energy's charges, you will be charged by your EDU for distribution and other service charges. In addition to the price described above, AEP Retail Energy will charge you for any and all fees, costs, and obligations for transmission services imposed by a Regional Transmission Organization ("RTO"), such as PJM Interconnection, LLC, or an Independent System Operator (ISO), such as the Midwest Independent Transmission System Operator (MISO) or any successor organizations (collectively, referred to as the RTO), that are not otherwise reimbursed to AEP Retail Energy, regardless of whether such charges are greater than, less than, or equal to the charges Customer currently pays for these services ("RTO/ Transmission and Ancillary Services Charges"). AEP Retail Energy will pass through to you any RTO/Transmission and Ancillary Services Charges, which may be variable, related to AEP Retail Energy's providing electricity to you and any additional or increased fees or charges that are beyond AEP Retail Energy's reasonable control. That could include, but not be limited to, fees for switching, disconnecting, reconnecting or maintaining electric service or equipment, or transmission or transmission-related charges, that are imposed by law, rule, regulation or tariff, or Commission rule or order. These charges or fees will be passed through to you and added to your price. To the extent that your EDU is seeking regulatory authority to include Transmission Service charges in its regulated rates, AEP Retail Energy's price does not include such charges. In the event that your EDU does not receive regulatory approval to include Transmission Service charges in its regulated rates, AEP Retail Energy reserves the right to re-price the Price to include such Transmission Service charges.
- Length of Agreement.** Your service from AEP Retail Energy will begin with the next available meter-reading following: a) the seven (7) day rescission period; b) the acceptance of the enrollment request by AEP Retail Energy (at its discretion and consistent with Paragraph 7 below), and c) processing of the enrollment by your EDU, and will continue for the term as specified on the Enrollment Consent Form from AEP Retail Energy, ending on the meter read for the last month of service.
- Billing.** You will continue to receive a single bill from your EDU that will contain both your EDU and AEP Retail Energy charges. AEP Retail Energy does not offer budget billing. If you do not pay your bill by the due date, AEP Retail Energy may cancel this Agreement after giving you a minimum of fourteen (14) days written notice. Upon cancellation you will be returned to your EDU as a customer. You will remain responsible to pay AEP Retail Energy for any electricity used before this Agreement is cancelled as well as any late payment charges. Further, your failure to pay EDU charges may result in your electric service being disconnected in accordance with the EDU tariff.
- Penalties, Fees and Exceptions.** Your EDU may charge you a switching fee. If you do not pay the full amount owed to AEP Retail Energy by the due date of the bill, AEP Retail Energy may charge a late payment fee up to one and one-half (1.5%) percent of the outstanding balance per month, or the maximum legally allowed interest rate, whichever is lower until such payment is received by AEP Retail Energy. AEP Retail Energy reserves the right to demand adequate assurances from you in the form of prepayment or other form of credit support in the event you fail to make payments in accordance with the terms herein. Customers requiring financial assurance will be required to post that assurance within 3 business days of notice.
- Cancellation/Termination Provisions.** If this Agreement is not rescinded during the rescission period, enrollment will be sent to your EDU. You may terminate this Agreement, without penalty, if you move outside AEP Retail Energy's service area or into an area where AEP Retail Energy charges a different price, by providing AEP Retail Energy with a thirty (30) day written notice prior to such move. There will be a charge if you terminate this Agreement for any other reason, except as expressly provided herein. Should you cancel service with AEP Retail Energy and return to standard offer service with your EDU, you may not be served under the same rates, terms, and conditions that apply to other EDU customers.
- Customer Consent and Information Release Authorization.** By accepting this offer from AEP Retail Energy, you understand and agree to the terms and conditions of this Agreement with AEP Retail Energy. You authorize AEP Retail Energy to obtain information from the EDU that includes, but is not limited to: billing history, payment history, historical and future electricity usage, meter-readings, and characteristics

- of electricity service. AEP Retail Energy reserves the right to determine if your credit standing is satisfactory before accepting your enrollment request. This Agreement shall be considered executed by AEP Retail Energy following: a) acceptance of your enrollment request by AEP Retail Energy; b) the end of the 7 day rescission period, and c) acceptance of enrollment by your EDU.
- Contract Renewal.** Upon expiration of the Initial Term, this Agreement will automatically renew on a month-to-month basis at a variable price per kWh, based upon the applicable RTO prevailing market and business conditions for electricity at the EDU load zone or equivalent market delivery point, plus an adder of up to \$0.05 per kWh. Your price will include generation and transmission charges, but will not include charges for EDU service (generally, delivery charges and other utility service fees) and taxes. You may obtain next month's variable price by calling a AEP Retail Energy Service Representative at the toll-free telephone number set forth in Section 16. Pricing is generally available on the 15th business day of each month for the next billing cycle. **There is no fee for the termination of the month-to-month contract.** At any time after the Initial Term, Customer may contact AEP Retail Energy to enroll in the then current price plan.
 - Dispute Procedures.** Contact AEP Retail Energy with any questions concerning the terms of service by phone at 1-866-823-6738 (toll-free) M-F 8AM – 5PM EST or in writing at AEP Retail Energy, PO BOX 1415, Columbus, OH 43216. Our web address is AEPRetailEnergy.com. If your complaint is not resolved after you have called AEP Retail Energy and/or your EDU, or for general utility information, residential and business customers may contact the Public Utilities Commission of Ohio for assistance at 1-800-686-7826 (toll free) or TTY at 1-800-686-1570 (toll free) from 8:00 AM - 5:00 PM EST weekdays or at www.PUCO.ohio.gov. Residential customers may also contact the Ohio Consumers' Counsel for assistance with complaints and utility issues at 1-877-742-5622 (toll free) from 8:00 AM - 5:00 PM EST weekdays, or www.pickoc.org.
 - Miscellaneous.** You have the right to request from AEP Retail Energy, twice within a 12-month period, up to 24 months of payment history, without charge. AEP Retail Energy is prohibited from disclosing a Customer's social security number and/or account number(s) without the Customer's affirmative written consent except for AEP Retail Energy's collections and reporting, participating in programs funded by the universal service fund pursuant to section 4928.54 of the Revised Code, or assigning a Customer's contract to another CRES provider. AEP Retail Energy assumes no responsibility or liability for the following items that are the responsibility of the EDU: operation and maintenance of the EDU's electrical system, any interruption of service, termination of service, or deterioration of the EDU's service. In the event of a power outage, you should contact your local EDU. Customer is responsible for providing AEP Retail Energy with accurate account information. If said information is incorrect, AEP Retail Energy reserves the right to re-price the applicable account(s). AEP Retail Energy reserves the right to re-price any account(s) or return a Customer to the EDU if the Customer's rate code or meter type is changed and/or the account is no longer eligible for this program. Customer authorizes, but does not obligate AEP Retail Energy, to exercise Customer's government aggregation opt-out rights. AEP Retail Energy's environmental disclosure statement is available for viewing on our website at AEPRetailEnergy.com. You agree that AEP Retail Energy will make the required quarterly updates to the statement electronically on our website. We will also provide the information to you upon request.
 - Warranty and Force Majeure.** AEP Retail Energy warrants title and the right to all electricity sold hereunder. THE WARRANTIES SET FORTH IN THIS PARAGRAPH ARE EXCLUSIVE AND ARE IN LIEU OF ALL OTHER WARRANTIES, WHETHER STATUTORY, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR ARISING OUT OF ANY COURSE OF DEALING OR USAGE OF TRADE. AEP Retail Energy will make commercially reasonable efforts to provide your electric service, but does not guarantee a continuous supply of electricity. Certain causes and events are out of the reasonable control of AEP Retail Energy and may result in interruptions in service. AEP Retail Energy is not liable for damages caused by acts of God, changes in laws, rules or regulations or other acts of any governmental authority (including the Commission or RTO), accidents, strikes, labor troubles, required maintenance work, inability to access the local distribution utility system, nonperformance by the EDU or any other cause beyond the control of AEP Retail Energy's reasonable control.
 - REMEDIES, UNLESS OTHERWISE EXPRESSLY PROVIDED HEREIN, ANY LIABILITY UNDER THIS AGREEMENT WILL BE LIMITED TO DIRECT, ACTUAL DAMAGES AS THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. NEITHER PARTY WILL BE LIABLE TO THE OTHER PARTY OR ITS AFFILIATES FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, INCLUDING LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, WHETHER IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISIONS OR OTHERWISE IN CONNECTION WITH THIS AGREEMENT. THE LIMITATIONS IMPOSED ON REMEDIES AND DAMAGE MEASUREMENT WILL BE WITHOUT REGARD TO CAUSE, INCLUDING NEGLIGENCE OF ANY PARTY, WHETHER SOLE, JOINT, CONCURRENT, ACTIVE OR PASSIVE; PROVIDED NO SUCH LIMITATION SHALL APPLY TO DAMAGES RESULTING FROM THE WILLFUL MISCONDUCT OF ANY PARTY.**
 - Customer Liability and Indemnification of AEP Retail Energy.** Customer assumes full responsibility for Power furnished to Customer at the Delivery Point(s) and on Customer's side of the Delivery Point(s), and agrees to and shall indemnify, defend, and hold harmless AEP Retail Energy, its parent company and all of its affiliates, and all of their respective managers, members, officers, directors, shareholders, associates, employees, servants, and agents (hereinafter collectively referred to as "AEP Retail Energy Group"), from and against all claims, losses, expenses, damages, demands, judgments, causes of action, and suits of any kind (hereinafter collectively referred to "Claims"), including Claims for personal injury, death, or damages to property occurring at the delivery point(s) or on Customer's side of the delivery point and upon the premise(s), arising out of or related to the electricity and/or customer's performance under the Agreement.
 - Assignment.** Customer shall not assign this Agreement or its rights hereunder without the prior written consent of AEP Retail Energy, which consent shall not be unreasonably withheld. AEP Retail Energy may, without the consent of Customer, assign this Agreement to another CRES provider, including any successor, in accordance with the rules and regulations of the PUCO.
 - Choice of Law.** This Agreement shall be construed and enforced in accordance with the laws of the State of Ohio without giving effect to any conflicts of law principles which otherwise might be applicable.
 - Contact Information.** AEP Retail Energy, PO Box 1415, Columbus, Ohio 43216. For more information, call (866) 823-6738 or visit AEPRetailEnergy.com.

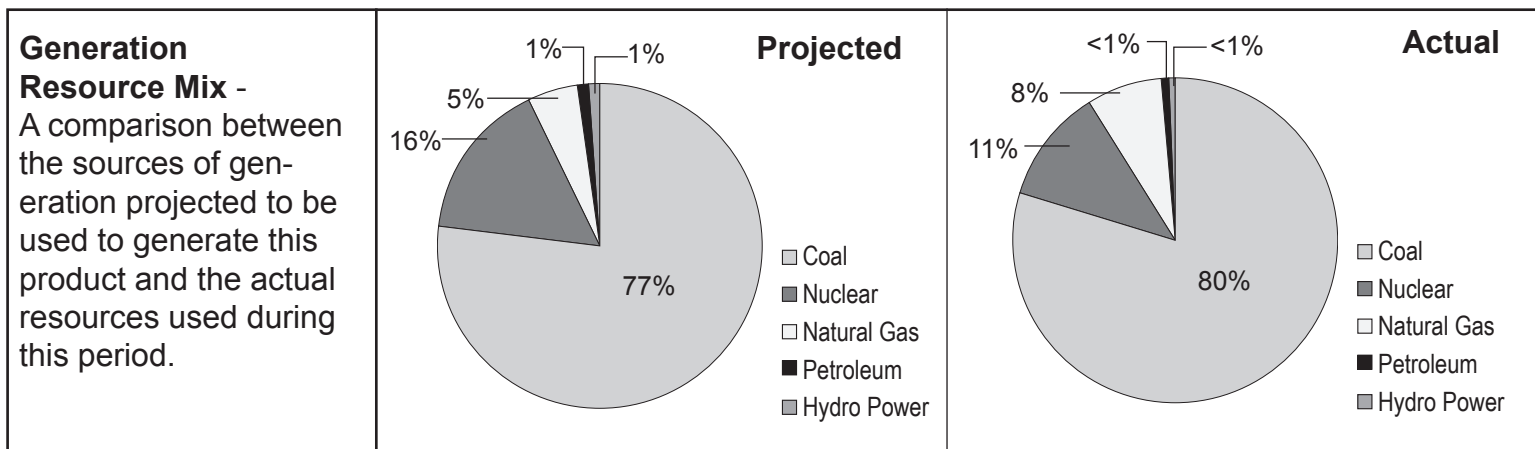
PLEASE KEEP A COPY FOR YOUR RECORDS.



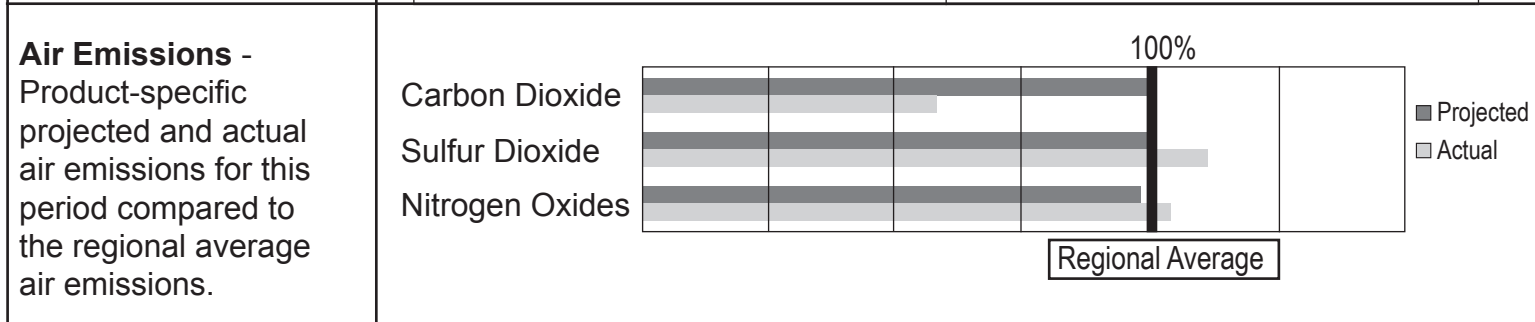
Environmental Disclosure – Quarterly Comparisons

AEP Retail Energy

Projected Data for the 2011 Calendar Year.
Actual Data for the Period 01/01/11 to 06/30/11.



<p>Environmental Characteristics - A description of the characteristics associated with each possible generation resource.</p>	<table border="1" style="width: 100%; border-collapse: collapse; font-size: small;"> <tr><td>Biomass Power</td><td>Air Emissions and Solid Waste</td></tr> <tr><td>Coal Power</td><td>Air Emissions and Solid Waste</td></tr> <tr><td>Hydro Power</td><td>Wildlife Impacts</td></tr> <tr><td>Natural Gas Power</td><td>Air Emissions and Solid Waste</td></tr> <tr><td>Nuclear Power</td><td>Radioactive Waste</td></tr> <tr><td>Oil Power</td><td>Air Emissions and Solid Waste</td></tr> <tr><td>Other Sources</td><td>Unknown Impacts</td></tr> <tr><td>Solar Power</td><td>No Significant Impacts</td></tr> <tr><td>Unknown Purchased Resources</td><td>Unknown Impacts</td></tr> <tr><td>Wind Power</td><td>Wildlife Impacts</td></tr> </table>	Biomass Power	Air Emissions and Solid Waste	Coal Power	Air Emissions and Solid Waste	Hydro Power	Wildlife Impacts	Natural Gas Power	Air Emissions and Solid Waste	Nuclear Power	Radioactive Waste	Oil Power	Air Emissions and Solid Waste	Other Sources	Unknown Impacts	Solar Power	No Significant Impacts	Unknown Purchased Resources	Unknown Impacts	Wind Power	Wildlife Impacts
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<p>Radioactive Waste - Product-specific projected and actual radioactive waste for this period.</p>	<table border="1" style="width: 100%; border-collapse: collapse; font-size: small;"> <tr> <th style="width: 30%;">Type:</th> <th style="width: 20%;">Quantity:</th> <th style="width: 50%;"></th> </tr> <tr> <td>High-Level Radioactive Waste</td> <td>Unknown</td> <td>LBs./1,000 kWh</td> </tr> <tr> <td>Low-Level Radioactive Waste</td> <td>Unknown</td> <td>Ft.³/1,000 kWh</td> </tr> </table> <p>AEP Retail Energy purchases all of its electric energy from the wholesale market. The above generation resource mix is based on EIA reporting of regional generation sources. AEP Retail Energy does not have access to information regarding the radioactive waste produced by nuclear generation in the region.</p>	Type:	Quantity:		High-Level Radioactive Waste	Unknown	LBs./1,000 kWh	Low-Level Radioactive Waste	Unknown	Ft. ³ /1,000 kWh
Type:	Quantity:									
High-Level Radioactive Waste	Unknown	LBs./1,000 kWh								
Low-Level Radioactive Waste	Unknown	Ft. ³ /1,000 kWh								

With in-depth analysis, the environmental characteristics of any form of electric generation will reveal benefits as well as costs. For further information, visit us online at AEPRetailEnergy.com or contact AEP Retail Energy at 1-866-823-6738.



Mount Vernon
City of Mount Vernon



P.O. Box 1415
Columbus, OH 43216

**Exclusive Electricity
Savings Program
brought to you by the
City of Mount Vernon.**
