



Northeast Ohio Public Energy Council



2008 Annual Report

Letter from the Chairman

NOPEC is pleased to present our 2008 annual report.

NOPEC's significant achievements and milestones in 2008 have helped firmly position us as a considerable force in the pricing of natural gas and electricity for residential and small business customers in northeast Ohio.

NOPEC generates countless benefits to the economy of northeast Ohio, many of which go unrecognized because I believe our mere presence quietly but significantly influences decisions — including rates — made by our competitors.

It is gratifying for NOPEC — and for the residents and businesses of northeast Ohio — when there are such strong indications that our competitors seek or establish rates that are lower than they might otherwise be if NOPEC did not exist.

In this report to the community, I invite you to examine the enclosed financial documents, which tell a story of a financially sound and well-run organization.

We don't answer to stockholders because we don't have any. My fellow board members and I are not paid. NOPEC has a knowledgeable but lean staff.

We are successfully continuing to pursue our mission: *Work hard to bring the lowest utility rates possible to northeast Ohio.*

While NOPEC continues to use its buy-it-in-bulk leverage to exert pressure on driving utility rates down in northeast Ohio, some of our best work in 2008 was done in Columbus.

Specifically, an important piece of legislation — Senate Bill 221 (SB221) — resulted in numerous adjustments in the state's utility laws that allow NOPEC to perform even better in the years ahead. We extend our thanks to those who helped NOPEC's efforts on this bill, which the governor signed into law in May.

Some of the changes SB221 has brought include:

NOPEC customers will not be required to pay for a utility's standby generation service when NOPEC elects not to take such service.

The costly opt-out period was extended from two to three years.

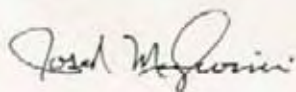
NOPEC customers will only be responsible for a portion of any surcharge resulting from a phase-in of a standard service plan. In other words, if our members don't benefit from a surcharge, they shouldn't have to pay it.

These are just some of the highlights, as SB221 resulted in other good steps toward encouraging the use of governmental aggregations such as NOPEC — which, by the way, is the largest such aggregator in the nation.

While SB221 was a victory for NOPEC and utility customers throughout northeast Ohio, in 2008 we also started serious negotiations with electric suppliers to save money for hundreds of thousands of northeast Ohio businesses and residents. These negotiations resulted in a letter of intent with a national company to supply our communities with lower cost electricity in 2009 and the future.

NOPEC has already saved northeast Ohio tens of millions of dollars in lower utility rates. We look forward to continuing to serve as our region's utility watchdog. Our savings are significant. Our mission is meaningful. And our future is bright.

Sincerely,



Joseph Migliorini, Chairman of NOPEC Board of Directors

Financials

	Jan - Dec 08	Jan - Dec 07
REVENUES		
Interest Income	296,083	508,926
Management Fees- Electric	1,097,271	600,000
Management Fees- Natural Gas	2,489,670	1,442,548
Other Fees	(604)	
Total Revenues	3,882,419	2,551,474
EXPENSE		
Advertising	1,000	2,933
Aggregation Services		50
Communication Services	24,000	
Community training	12,605	
Computer Support	2,739	3,261
Consulting, Gas & Electric	37,090	20,236
Contract Labor	1,642	5,301
CRES Development Fund	152,504	75,391
Depreciation Expense	5,569	1,366
Energy Conserv. Grant		215,018
Fringe benefits/payroll tax	41,355	24,352
Furnishings, new office	14,961	
Insurance	3,757	3,487
Legal	382,619	190,167
Media - Web site exp	500	1,580
Meetings	10,606	7,976
Membership, assoc. & training	3,608	2,675
Office Supplies	13,047	9,087
Postage and Delivery	480	478
Professional Fees	40,500	50,717
Rent/Maint/RE Tax	2,000	6,000
Staff salaries	189,645	119,310
Telephone	18,922	4,170
Travel	10,367	10,403
Utilities	3,702	2,709
Total Expenses	973,217	756,665
	2,909,202	1,794,809
OTHER INCOME/EXPENSE		
Other Expense		
Electric Program discount	1,821,560	
Total Other Expense	1,821,560	
Net Other (Expense)	(1,821,560)	
Revenues in excess of Expenses	1,087,642	1,794,809

	Dec 31, 08	Dec 31, 07
ASSETS		
Current Assets		
<i>Checking/Savings</i>		
Dollar Bank cking	235,997	18,785
Dollar Bank	0	1,098
Total Checking/Savings	235,997	19,883
<i>Accounts Receivable</i>		
Accounts Receivable	884,026	195,363
Total Accounts Receivable	884,026	195,363
<i>Other Current Assets</i>		
Accts Receivable	1,300	0
Investment-Star Ohio	11,287,804	11,281,721
Total Other Current Assets	11,289,104	11,281,721
Total Current Assets	12,409,127	11,496,967
Fixed Assets		
Building	236,229	10,000
Building, Accum. Depr.	(2,362)	0
Equipment	26,010	6,061
Equipment, Accum. Depr.	(4,573)	(1,366)
Total Fixed Assets	255,304	14,695
Total Assets	12,664,431	11,511,662
LIABILITIES & EQUITY		
Liabilities		
<i>Current Liabilities</i>		
Accounts Payable	102,795	39,980
Total Accounts Payable	102,795	39,980
<i>Other Current Liabilities</i>		
Accrued liabilities	28,170	28,170
Payroll withholdings	2,312	0
Total Other Current Liabilities	30,482	28,170
Total Current Liabilities	133,277	68,150
Total Liabilities	133,277	68,150
Equity		
Net Assets	12,531,154	11,443,512
Total Equity	12,531,154	11,443,512
Total Liabilities & Equity	12,664,431	11,511,662

About NOPEC

Since it was formed in 2000, NOPEC has saved northeast Ohio residents and businesses tens of millions of dollars in lower utility rates.

NOPEC represents 126 communities in nine northeast Ohio counties. Our board of directors is composed of one representative from each of those counties.

Our member communities are in the following nine counties: Ashtabula, Cuyahoga, Geauga, Lake, Lorain, Medina, Portage, Summit and Trumbull.

NOPEC is the largest public energy aggregation in the country. We are a non-profit, pro-consumer lobbying force that has worked hard — and will continue to work hard — to bring lower electricity and natural gas prices to northeast Ohio. Our lean but knowledgeable staff closely monitors the volatile and evolving energy industry on behalf of our northeast Ohio customers.



Board of Directors



Mr. Joseph Migliorini, Chairman
Summit County



Commissioner William Young, Vice-Chairman
Gauga County



City Manager Jack Haney
Newton Falls (Trumbull County)



Commissioner Charles Keiper II
Portage County



Mayor Tony Krasienko
City of Lorain (Lorain County)



Ronald McVoy
Ashtabula County



Mayor Thomas O'Grady
North Olmsted (Cuyahoga County)



Commissioner Daniel Troy
Lake County



City Manager Robert Zienkowski
City of Brunswick (Medina County)



Leigh Herington
Executive Director, NOPEC

Electric Communities



ASHTABULA COUNTY

Ashtabula	Conneaut	Geneva	Geneva-on-the-Lake	Jefferson	North Kingsville
Orwell Village	Roaming Shores	Rock Creek	Ashtabula Cty Twps.*	Andover Twp	Ashtabula Twp
Austinburg Twp	Cherry Valley Twp	Colebrook Twp	Denmark Twp	Dorset Twp	Geneva Twp
Harpersfield Twp	Hartsgrove Twp	Jefferson Twp	Kingsville Twp	Lenox Twp	Monroe Twp
Morgan Twp	New Lyme Twp	Orwell Twp	Pierpont Twp	Plymouth Twp	Richmond Twp
Rome Twp	Saybrook Twp	Sheffield Twp	Trumbull Twp	Wayne Twp	Williamsfield Twp
Windsor Twp					

CUYAHOGA COUNTY

Beachwood	Bedford	Bedford Heights	Bentleyville	Berea	Bratenahl
Brecksville	Broadview Heights	Brook Park	Brooklyn	Brooklyn Heights	Chagrin Falls
Cuyahoga Heights	East Cleveland	Fairview Park	Garfield Heights	Glenwillow	Highland Heights
Hunting Valley	Independence	Lakewood	Linndale	Lyndhurst	Maple Heights
Mayfield Village	Middleburg Heights	Moreland Hills	Newburgh Heights	North Olmsted	North Randall
North Royalton	Oakwood	Olmsted Twp	Olmsted Falls	Orange	Parma Heights
Pepper Pike	Rocky River	Shaker Heights	Solon	South Euclid	Strongsville
University Heights	Valley View	Walton Hills	Warrensville Heights		

GEAUGA COUNTY

Auburn Twp	Bainbridge Twp	Burton	Chardon	Chardon Twp	Chester Twp
Claridon Twp	Hambden Twp	Huntsburg Twp	Middlefield (Village)	Middlefield Twp	Montville Twp
Munson Twp	Newbury Twp	Parkman Twp	Russell Twp	South Russell	Thompson Twp

LAKE COUNTY

Eastlake	Fairport Harbor	Grand River	Kirtland	Kirtland Hills	Lakeline
Madison	Mentor	Mentor-on-the-Lake	Timberlake	Waite Hill	Wickliffe
Willoughby	Willoughby Hills	Willowick	Lake County Twps*	Concord Twp	Leroy Twp
Madison Twp	Painesville Twp	Perry Twp			

LORAIN COUNTY

Amherst Twp	Avon	Avon Lake	Elyria	Lorain	South Amherst
Sheffield Lake	Sheffield Village	North Ridgeville			

MEDINA COUNTY

Brunswick

PORTAGE COUNTY

Hiram Village	Kent	Portage County Twps.*	Atwater Twp	Brimfield Twp	Charlestown Twp
Deerfield Twp	Edinburg Twp	Franklin Twp	Freedom Twp	Hiram Twp	Mantua Twp
Nelson Twp	Palymra Twp	Paris Twp	Randolph Twp	Ravenna Twp	Rootstown Twp
Shalersville Twp	Suffield Twp	Windham Twp			

SUMMIT COUNTY

Clinton	Lakemore	Macedonia	Northfield	Peninsula	Reminderville
Twinsburg					

TRUMBULL COUNTY

Warren	Liberty Township
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Gas Communities



ASHTABULA COUNTY

Ashtabula (City)	Ashtabula Township	Conneaut	Geneva (Village)	Geneva-on-the-Lake
Jefferson Village	North Kingsville	Harpersfield Township	Kingsville Township	Saybrook Township

CUYAHOGA COUNTY

Bedford	Bedford Heights	Bentleyville	Berea	Bratenahl
Brecksville	Brook Park	Brooklyn	Brooklyn Heights	Chagrin Falls (City)
Cleveland	Cuyahoga Heights	Fairview Park	Garfield Heights	Glenwillow
Highland Heights	Hunting Valley	Independence	Lakewood	Lyndhurst
Maple Heights	Middleburg Heights	Moreland Hills	Newburgh Heights	North Olmsted
North Randall	North Royalton	Oakwood	Olmsted Falls	Olmsted Township
Orange	Parma Heights	Pepper Pike	Rocky River	Solon
South Euclid	Strongsville	University Heights	Valley View	Walton Hills

GEAUGA COUNTY

South Russell	Auburn Township	Bainbridge Township	Burton Township	Chester Township
Claridon Township	Hambden Township	Newbury Township	Munson Township	Russell Township
Troy Township				

LAKE COUNTY

Eastlake	Fairport Harbor	Grand River	Kirtland	Kirtland Hills
Mentor	Mentor-on-the-Lake	Norty Perry Village	Timberlake	Waite Hill
Wickliffe	Willoughby	Willoughby Hills	Willowick	Concord Township
Leroy Township	Painesville Township	Perry Township		

LORAIN COUNTY

Avon	Elyria	Lorain	North Ridgeville	Sheffield Lake
Sheffield Village	South Amherst			

MEDINA COUNTY

Brunswick

PORTAGE COUNTY

Brady Lake	Garrettsville (City)	Hiram Village	Kent	Sugar Bush Knolls
Portage County Townships	Atwater Township	Brimfield Township	Charlestown Township	Deerfield Township
Edinburg Township	Franklin Township	Freedom Township	Hiram Township	Mantua Township
Nelson Township	Palymra Township	Paris Township	Randolph Township	Ravenna Township
Rootstown Township	Shalersville Township	Suffield Township	Windham Township	

SUMMIT COUNTY

Clinton	Macedonia	Northfield	Reminderville	Sagamore Hills Township
Springfield Township				

TRUMBULL COUNTY

Warren	Liberty Township	Newton Falls		
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Northeast Ohio Public Energy Council

31320 Solon Road, Suite 20
Solon, OH 44139

Gas customer service: 1-888-848-7914

Electric customer service: 1-800-292-9284