

**AN ORDINANCE
AUTHORIZING THE MAYOR TO ENTER INTO AN
AGREEMENT WITH DIRECT ENERGY BUSINESS, LLC,
AND DECLARING AN EMERGENCY.**

WHEREAS, the Village of Chagrin Falls desires to enter into a PowerSupply Coordination Service Agreement with Direct Energy Business, LLC, (the "Agreement") for the purpose of providing power supply coordination services and electricity to meet the Village of Chagrin Falls usage requirements.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE VILLAGE OF CHAGRIN FALLS, CUYAHOGA COUNTY, STATE OF OHIO:

SECTION 1. That the Mayor be and is hereby authorized and directed to enter into an agreement with Direct Energy Business, LLC, which is substantially in accordance with the copy of the Agreement that is appended hereto as "Exhibit A," subject to such modifications as may be deemed in the Village's best interest by the Mayor and Director of Law. The Mayor and other Village officials may execute such further documentation and perform such additional actions as may be necessary to accomplish the purposes of the Agreement.

SECTION 2. That actions of this Council concerning and relating to the passage of this legislation were adopted in lawful meetings of this Council and that all deliberations of this Council and of any of its committees that resulted in such formal action were in compliance with all legal requirements, including Chapter 114 of the Codified Ordinances of the Village of Chagrin Falls.

SECTION 3. That in accordance with Section 113.01 of the Codified Ordinances of the Village of Chagrin Falls, public notice of this Ordinance shall be given by posting a copy thereof for not less than fifteen (15) days in the Village Hall.

SECTION 4. That this Ordinance is declared to be an emergency measure necessary for the immediate preservation of the public peace, property, health and safety of this Village and for the further reason that immediate legislative action is necessary due to the June 2014 expiration of the current power supply coordination services and electricity contract for the Village; wherefore, provided it receives the requisite number of affirmative votes of all members elected to Council, this Ordinance shall be in full force and effect from and immediately upon its passage by this Council and approval by the Mayor; otherwise, it shall take effect and be in force after the earliest period allowed by law.

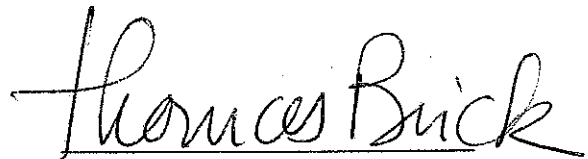
PASSED: May 12, 2014



Council President

Submitted to the Mayor for
his approval on this
13 day of May, 2014

Approved by the Mayor
May 13, 2014



Mayor



This Agreement is entered into on May 12, 2014 and is between Direct Energy Business, LLC ("Direct Energy") and CHAGRIN FALLS, VILLAGE OF ("Buyer"). Direct Energy and Buyer are sometimes individually referred to herein as a "Party" or collectively as the "Parties".

1. Nature of Service:

This Agreement shall become effective only upon (i) execution by Buyer of the Confirmation and this Agreement; and (ii) the earlier of execution of this Agreement by Direct Energy or written confirmation by Direct Energy of its acceptance of this Agreement to Buyer. Upon such effectiveness, Direct Energy will provide PowerSupply Coordination® Services and Electricity to meet Buyer's full usage requirements at Buyer's Facility(ies) and Buyer will receive and pay for PSC Services and Electricity to meet such usage requirements. Direct Energy will deliver Electricity to the Host Utility for delivery to Buyer's Facility(ies).

2. Term:

Direct Energy shall use reasonable efforts to commence service on the Facility(ies) meter read date in the start month stated on the Pricing Attachment or Exhibit B, as applicable. However, Buyer acknowledges that the commencement of service hereunder is dependent upon confirmation by the Host Utility of the completion of all required switching and enrollment processes and if such switching and enrollment processes occur after the Facility(ies) meter read date in the start month stated on the Pricing Attachment or Exhibit B, as applicable Buyer's Facility(ies) shall be enrolled at the next available meter read date. Direct Energy shall not be liable for any lost savings or lost opportunity as a result of a delay in service commencement due to actions or inactions of the Host Utility.

Service shall continue through the Facility(ies) meter read date in the end month or with respect to PowerPortfolio™ or PowerAdvantage™ service, until the meter read date after the expiration of the Transaction or Transaction Confirmation, if later as stated on the Pricing Attachment or Exhibit B, as applicable (the "Term"), unless sooner terminated as provided herein. At the end of the Term, if Buyer and Direct Energy have not entered into any written modification, amendment or renewal of this Agreement and if Buyer has not elected to obtain service from another supplier, this Agreement shall automatically continue on a month-to-month basis ("Monthly Renewal") at the market-based costs as defined in the Confirmation.

3. Definitions:

As used herein, unless the context clearly indicates otherwise, the following terms shall have the meaning set forth below:

"Actual Damages"

means the total amount of the loss that the non-defaulting party (or, in the event of a termination without cause, the non-terminating party) (as applicable, the "Damaged Party") would experience as a result of termination. As to each terminated transaction, Actual Damages shall be deemed to equal: (A) where Direct Energy is the Damaged Party, the positive difference, if any, between the contract price of the Electricity - as described in the Confirmation - for the remaining term of such terminated transaction and the market price of the Electricity for the remaining term of such terminated transaction, in each case as determined by Direct Energy in a commercially reasonable manner; and (B) where Buyer is the Damaged Party, the positive difference, if any, between the market price of the Electricity for the remaining term of such terminated transaction and the contract price of the Electricity - as described in the Confirmation - for the remaining term of such terminated transaction, in each case as determined by Direct Energy in a commercially reasonable manner. For the avoidance of doubt, "contract price" shall include the PSC Services fee for purpose of the above calculations.

"Ancillary Services"

means wholesale electric services and products required to facilitate delivery of Energy to the Host Utility.

"Confirmation"

refers to the product and pricing attachment(s) to this Agreement, which set forth a description of the Energy product selected by Buyer, describes the pricing for such Energy product, and identifies the Facilities covered by this Agreement. For fixed price service, the Confirmation includes a Part I (Energy product description) and a Part II (Pricing Attachment), in addition to any special provisions to the Agreement agreed to between the Parties. For PowerPortfolio™ or PowerAdvantage™ service, the Confirmation includes a Part I (Product and Pricing description), together with an Exhibit A and Exhibit B, in each case as defined herein. In all cases, the confirmation also includes any special provisions to the Agreement agreed to between the Parties.

"Distribution"

means all delivery service for Energy and applicable services provided by the Host Utility.

- "Electricity"**
means the combination of Energy and Ancillary Services, which are provided by Direct Energy under this Agreement.
- "Energy"**
means electrical energy or generation, as measured in kilowatt hours (kWh) or megawatt hours (MWh).
- "Event of Default"**
means: (a) the failure of a Party to make, when due, any payment that is required under this Agreement; (b) any representation or warranty made by a Party that proves to be false or misleading in any material respect; (c) the failure of a Party to perform its obligations under this Agreement, except to the extent such failure is excused by a Force Majeure event; (d) Buyer's failure to cooperate with Direct Energy as reasonably required in order for Direct Energy to perform its obligations under this Agreement. If an Event of Default has occurred, (a) the non-defaulting Party shall have the right to setoff and net against any undisputed amounts owed by the defaulting Party to the non-defaulting Party under this Agreement, and (b) Direct Energy shall additionally have the right to setoff and net against any deposit or security provided by Buyer pursuant to this Agreement any amounts, charges or damages owed by Buyer to Direct Energy.
- "Exhibit A"**
applies only to PowerPortfolio™ or PowerAdvantage™ service, and refers to the form of Transaction Confirmation attached to this Agreement, identified as Exhibit A, and which is used to confirm Transactions entered into under this Agreement, as described in the Confirmation.
- "Exhibit B"**
applies only to PowerPortfolio™ or PowerAdvantage™ service, and refers to the list of Facilities attached to this Agreement and identified as Exhibit B, which list specifies the Facilities covered under the scope of this Agreement or Exhibit B, as applicable.
- "Facility (ies)"**
means the electric account meter(s) located at the service address(es) for which Buyer has the authority to purchase Electricity under this Agreement and which are set forth on the Pricing Attachment or Exhibit B, as applicable.
- "Firm"**
means that Parties may only suspend performance hereunder to the extent that such performance is prevented for reasons of Force Majeure.
- "Force Majeure"**
means any "Act of God" or other unexpected and disruptive event beyond the reasonable control of either Party that interferes with its ability to perform its obligations under this Agreement, except for the obligation to pay monies due. Any Party which is unable to perform its obligations hereunder as a result of a Force Majeure event shall provide written notice to the other Party of the existence of such event and exercise due diligence to remove such event with all reasonable dispatch, but shall in no event be required to incur any commercially unreasonable expense in doing so. It is expressly understood by the Parties that the ability of Direct Energy to sell the services provided hereunder at a price greater than the Price paid by Buyer shall not constitute an event of Force Majeure. Conversely, the ability of Buyer to purchase the products and services provided hereunder for an amount less than the Price shall not constitute an event of Force Majeure. Buyer acknowledges that while Direct Energy may take title to Energy provided hereunder, Direct Energy does not own or operate transmission or distribution systems through which Energy is delivered to Buyer, and the Parties therefore agree that Direct Energy shall not be liable for any damages associated with any failure in the delivery of Energy in connection with the failure of such transmission or distribution systems.
- "Host Utility"**
means any investor-owned utility, municipal utility, public utility, or other provider of electric lines whose system is directly interconnected with and which provides Distribution to Buyer's Facility(ies).
- "Point(s) of Delivery"**
shall mean the point(s) where Energy is delivered to the Host Utility.
- "PowerSupply Coordination (PSC) Services"**
are the services provided by Direct Energy to match the Facility(ies) load, as described in this Agreement. As described in the Confirmation, the fee for PSC Service (the "PSC Services fee") is included in the Price to be paid by Buyer.
- "Pricing Attachment"**
applies only to fixed price service, and refers to Part II of the Confirmation and describes (together with Part I) the pricing terms applicable to, and the Facilities covered by, this Agreement.
- "Reliability Must Run ("RMR")"**
is a unit that must run for operational or reliability reasons, regardless of economic considerations. Also called a reliability agreement.
- "Renewable Portfolio Standard ("RPS")"**
is a regulation that requires the increased production of energy from renewable energy sources.
- "Seams Elimination Cost Adjustment ("SECA")"**
is a FERC mandated transmission charge for recovery of transmission owner revenue lost due to the elimination of the

through and out rates.

"Transaction Confirmation"

applies only to PowerPortfolio™ or PowerAdvantage™ service, and is defined in Part I of the Confirmation.

4. Type of Service:

Firm - subject only to Force Majeure.

5. Price:

Pricing is as set forth in the Confirmation.

6. Billing and Payment:

Payment-in-full is due twenty (20) days from the date of the invoice. If Buyer fails to remit payment in full in any month, interest will be assessed on the late balance at the lower of one-and-one-half (1.5%) percent per month or the highest rate allowed by law. Buyer may in good faith dispute any portion of an invoice by providing Direct Energy with a written explanation specifying the amount in dispute and the reason for the dispute by the payment due date. Buyer shall remit all invoiced and undisputed amounts by the date due. In all cases, the Parties shall use good faith efforts to resolve any dispute. In the event the Parties are unable to resolve the dispute within ten (10) days of the notice date, either Party may begin legal proceedings to resolve the dispute. Any amounts determined owed, together with interest thereon as provided above, shall be paid within three (3) days of the date on which the dispute is resolved.

Buyer will receive from Direct Energy a monthly invoice following its meter read date for services provided under this Agreement and the Host Utility will continue to bill Buyer directly for any transmission and Distribution charges. Buyer shall receive a separate invoice per Facility unless Buyer selects the Aggregated Billing option as described in this paragraph and reflected in a "Billing Contract Information and Selection Form." "Aggregated Billing" means that billing for Buyer's Facility(ies) may be combined into a single monthly invoice (excepting however, that an aggregated invoice may contain no more than fifty (50) Facilities. If Buyer has more than fifty (50) Facility(ies), Buyer shall receive more than one aggregated invoice). If Buyer selects Aggregated Billing, Direct Energy shall choose the day of the month on which to deliver an invoice to Buyer based upon the Facility(ies) meter read dates. In the event Buyer desires to discontinue Aggregated Billing and instead receive a separate invoice for each Facility, Buyer shall submit such request in writing to Direct Energy and Direct Energy shall separate Buyer's invoice provided that there are no outstanding invoice balance(s) on Buyer's Facility(ies). Buyer has the right to request from Direct Energy, without charge and up to two times in any twelve month period a copy of its payment history for the previous twenty-four (24) months.

If in any month Direct Energy does not receive the information necessary to invoice Buyer or uses information obtained from a third party meter reading service, Direct Energy may use estimated data or the third party meter usage data to calculate Buyer's invoice and, upon receipt of actual data in the case of an estimated read, reconcile the amount billed on future invoices. If Buyer's Facility(ies) have any interval meters, Buyer acknowledges that the usage information for such meters contained on the Direct Energy invoice may vary from that contained upon the Host Utility bill as a result of different billing cycles being utilized for those meter reads.

In no event shall any adjustments or corrections be made to any amount billed after the lapse of the longer of twenty-four (24) months from the date of the invoice or the time frame permitted by the Regional Transmission Operator (RTO), the Independent System Operator (ISO) or the Host Utility's tariff for adjustments to consumption information.

7. Credit:

Direct Energy may request that Buyer provide financial information sufficient for Direct Energy to complete a credit review prior to providing service hereunder. If, prior to commencing service or at any time during the Term of this Agreement, Direct Energy has good faith concerns about the creditworthiness of Buyer or Buyer's ability to perform hereunder, Direct Energy may require that Buyer provide reasonable credit assurance(s), in an amount and in a form determined by Direct Energy in a commercially reasonable manner, including but not limited to, an escrow account, deposit, letter of credit, or parental guaranty.

8. Title, Control and Possession:

Title to, control and possession of Energy shall pass from Direct Energy to Buyer at the Point of Delivery.

9. Load Change Information:

In order to assist Direct Energy in providing accurate expected usage information to Buyer's Host Utility, Buyer shall timely notify Direct Energy of any anticipated significant changes in its actual usage. Without limiting Buyer's obligation to provide such notice, Buyer shall give Direct Energy at least thirty (30) days' notice ("Notice of Load Change") prior to removing a Facility(ies) from service hereunder as a result of ceasing operations (closing of the Facility(ies) or sale of the Facility(ies) to an unrelated third party) at such Facility(ies).

Except for any PowerPortfolio and PowerAdvantage Agreements, the following shall also apply:

Buyer shall be responsible for payment of any Actual Damages incurred by Direct Energy, if any, as a result of any such changes.

Also, if Buyer has a change in usage of 25% or more for its Facilities, Direct Energy may pass through the resulting cost increases to Buyer. If Direct Energy elects to pass through such cost increases, Direct Energy will calculate the amount of such costs in a commercially reasonable manner and submit an Invoice to Buyer, which invoice will be due and payable pursuant to the payment terms of this Agreement.

10. Change in Law or Regulation:

If regulatory changes shift costs from the Host Utility or ISO or RTO to Direct Energy or from Direct Energy to the Host Utility or ISO or RTO, then such costs or credits may be passed through to the Buyer. If any laws, orders, decisions, or regulations are passed, modified, implemented or interpreted by judicial or regulatory order, administrative proceeding or legislative enactment, or if there is a change in rate class which applies to Buyer's Facilities, which creates additional costs not currently included in the Price or increases in the cost components of the Price ("Incremental Charges"), then Direct Energy may pass through such Incremental Charges to be paid by Buyer in addition to the Price and in accordance with the payment terms in this Agreement.

11. Limitation of Liability Disclaimer:

EXCEPT WITH RESPECT TO REMEDIES OTHERWISE SPECIFICALLY PROVIDED FOR IN THIS AGREEMENT, LIABILITY IS LIMITED TO DIRECT DAMAGES AS THE SOLE AND EXCLUSIVE REMEDY AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE EXPRESSLY WAIVED. IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER FOR ANY INCIDENTAL, CONSEQUENTIAL, PUNITIVE OR BUSINESS INTERRUPTION DAMAGES. EACH PARTY AGREES THAT IT HAS A DUTY TO MITIGATE DAMAGES AND AGREES THAT IT WILL USE COMMERCIALY REASONABLE EFFORTS TO MINIMIZE ANY DAMAGES IT MAY INCUR AS A RESULT OF THE OTHER PARTY'S PERFORMANCE OR NON-PERFORMANCE OF THIS AGREEMENT.

TO THE MAXIMUM EXTENT POSSIBLE UNDER LAW, ARTICLE 2 OF THE UNIFORM COMMERCIAL CODE SHALL APPLY TO ENERGY SOLD HEREUNDER. DIRECT ENERGY MAKES NO REPRESENTATIONS OR WARRANTIES OTHER THAN THOSE EXPRESSLY SET FORTH IN THIS AGREEMENT, AND EXPRESSLY DISCLAIMS AND NEGATES ALL OTHER REPRESENTATIONS AND WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

12. Termination:

This Agreement may be terminated at any time after the date hereof (i) by mutual consent in writing by the Parties, (ii) by either Party if there has been an Event of Default that is not cured within fifteen (15) calendar days of the defaulting Party's receipt of written notice from the non-defaulting Party; (iii) by Direct Energy if Buyer fails to provide the credit assurance requested pursuant to the credit provisions of this Agreement, within seven (7) days of being requested by Direct Energy; or (iv) during a Monthly Renewal pursuant to the Term, by either Party upon providing the other Party with thirty (30) days prior written notice.

13. Effect of Termination:

In the event of termination as provided in this Agreement, all further obligations of the Parties under this Agreement shall terminate without further liability of the Parties, except for the payment by the owing Party of any sums due and owing to the other Party for services rendered prior to the termination date, Actual Damages (in the event of termination under subsection (ii) or (iii) of Section 12 above), any indemnification or confidentiality obligation of either Party which has arisen hereunder and any other obligation hereunder which by its nature survives the termination of this Agreement. Furthermore, Buyer's failure to pay Host Utility charges may result in Buyer being disconnected in accordance with such Host Utility's tariff, and if Buyer switches back to Host Utility, Buyer may or may not be served under the same rates, terms and conditions that apply to customers served by the Host Utility.

14. Confirmation Notice and Right to Rescind:

If Buyer's annual usage at the time of contracting is in excess of 700,000 annual kWhrs, this section shall not apply. If Buyer's annual usage at the time of contracting is less than or 700,000 kWhrs annually, the Host Utility will send to Buyer a confirmation notice that Buyer has selected Direct Energy to provide Buyer's Electricity. Further, if Buyer's annual usage is less than 700,000 kWhrs at the time of contracting, BUYER HAS UNTIL MIDNIGHT OF THE SEVENTH (7TH) CALENDAR DAY FOLLOWING THE POSTMARK DATE ON THE CONFIRMATION NOTICE SUBMITTED TO BUYER BY THE HOST UTILITY TO CANCEL (RESCIND) THIS AGREEMENT. Buyer must contact the Host Utility to cancel/rescind this Agreement and may do so orally, electronically or in writing). Any such rescission must be promptly communicated to Direct Energy.

15. Applicable Law:

As to all matters of construction and interpretation, this Agreement shall be construed, interpreted, and governed under and by the laws of the State of Ohio, without regard to its choice of law provisions.

16. Parties, Assignment:

This Agreement shall inure to and benefit the Parties hereto and their permitted successors and assigns. Neither Party may assign this Agreement without the prior written consent of the other Party, which consent shall not be unreasonably withheld, conditioned or delayed. Notwithstanding the above, Direct Energy may, without the consent of Buyer, assign this Agreement and

its rights and obligations hereunder to any third party for the limited purpose of securing credit and financing or to any person or entity succeeding to all or substantially all of the assets of Direct Energy. Further, either Party may, without the need for consent from the other Party transfer or assign this Agreement to an Affiliate of such Party provided that such Affiliate has equivalent financial capability to that of the assigning Party and agrees to be bound by the terms and conditions hereof. Buyer agrees that it will execute any documents reasonably necessary to effectuate such assignment including, but not limited to, a letter of agency. As used herein, "Affiliate" shall mean with respect to any person, any other person (other than an individual) that, directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with, such person. For purposes of the foregoing definitions, "control" means the direct or indirect ownership of more than fifty percent (50%) of the outstanding capital stock or other equity interests having ordinary voting power.

17. Notices and Correspondence:

Except for when the Parties are effectuating a Transaction or Transaction Confirmation, any notice or other document to be given or served hereunder or under any document or instrument executed pursuant hereto, (including without limitation any termination or disconnection notices, shall be in writing and shall be delivered to either the address specified below or the address to which bills are sent to Buyer. Notice sent by facsimile or other electronic means shall be deemed to have been received by the close of the business day on which it was transmitted or such earlier time as is confirmed by the receiving Party. Notice delivered by courier shall be deemed to have been received on the business day after it was sent or such earlier time as is confirmed by the receiving Party. Notice delivered by mail shall be deemed to have been received at the end of the third business day after the date of mailing by prepaid first class mail, except that when there is a strike affecting delivery of mail, all notices shall be delivered by courier or by facsimile or other electronic means.

Direct Energy
Attn: Customer Service Manager
1001 Liberty Avenue
Pittsburgh, PA 15222
Phone: (888) 825-8115
Fax: (888) 421-0257
Email: CustomerRelations@directenergy.com

Monday through Friday 8:00AM to
6:00PM Eastern Time

CHAGRIN FALLS, VILLAGE OF
Attn: Ben Hines
501 Meadowth
21 W. Washington St.
Chagrin Falls, OH 44022
Phone: 4402478060
Fax: (440) 247-1510

email: ben@chagrin-falls.og

For non-emergency or after-hours, leave a message.

In the event of an emergency or other distribution service needs, Buyer must contact its Host Utility for the subject Facility(ies) at the emergency number provided on the bill received from the Host Utility. Complaints may be presented to the Public Utilities Commission of Ohio for assistance at 1-800-888-7826 (toll-free), or for TTY at 1-800-888-1570 (toll-free), from 8:00 a.m. to 6:00 p.m. weekdays, or at www.puco.ohio.gov.

18. Confidentiality:

Neither Party will disclose the terms of this Agreement, or any information of the other Party which it knows or reasonably should know to be confidential or proprietary (other than to the party's employees, lenders, counsel, consultants, agents or accountants who have agreed to keep such terms confidential) except to the extent that disclosure is otherwise required by law, is required to carry out the terms of this Agreement or is made with the prior written consent of the other Party. Direct Energy agrees that such confidential treatment shall extend to Buyer's usage and consumption data which is not otherwise in the public domain. The parties shall be entitled to all remedies available at law or in equity to enforce, or seek relief in connection with this confidentiality obligation. This provision shall survive the termination of this Agreement for a period of two (2) years.

19. Representations and Warranties:

As a material inducement to entering into this Agreement, each Party, with respect to itself, hereby represents and warrants to the other Party as follows:

- (a) It is duly organized, validly existing and in good standing under the laws of the jurisdiction of its formation and is qualified to conduct its business in those jurisdictions necessary to perform this Agreement;
- (b) the execution and delivery of this Agreement are within its powers, have been duly authorized by all necessary actions and/or board approvals, and do not violate any of the terms or conditions in its governing documents or any contract to which it is a Party or any law applicable to it;
- (c) as of the date of service commencement hereunder, it shall have all regulatory authorizations necessary for it to legally perform its operations;
- (d) this Agreement constitutes a legal, valid and binding obligation of such Party enforceable against it in accordance with its terms, subject to bankruptcy, insolvency, reorganization, and other laws affecting creditors' rights generally and with regard to equitable remedies, subject to the discretion of the court before which proceedings to obtain same may be pending;

(e) there are no bankruptcy, insolvency, reorganization, receivership or other similar proceedings pending or being contemplated by it or, to its knowledge, threatened against it;

(f) if a broker has been involved in this transaction, such broker is an agent of Buyer in this transaction and may receive a commission to be paid by Direct Energy from payments received from Buyer under this Agreement;

(g) if it is a property management company acting on behalf of the owner of the Facility(ies), it has the authority to execute and bind the Facility(ies) to this Agreement for the Term stated in the Pricing Attachment or Exhibit B, as applicable, and that the term of its property management agreement with the owner of the Facility(ies) is equal to or greater than the Term of this Agreement; and

(h) the Facility(ies) to be provided the services described herein are not contractually bound by another agreement for Electricity services that will overlap with the Term stated in the Pricing Attachment or Exhibit B, as applicable.

Each Party covenants that it shall cause its respective representations and warranties to remain true and correct throughout the Term of this Agreement.

20. Disclosure:

Buyer acknowledges that Buyer's Host Utility may charge a switching fee upon Buyer's election to obtain service from Direct Energy. Buyer has the right to request from Direct Energy, without charge, up to twenty four (24) months of payment history for services purchased from Direct Energy or a record of the approximate generation resource mix and environmental characteristics of the power supplied under this Agreement. In the event of a dispute under this Agreement, Buyer should contact Direct Energy directly to resolve the matter informally. Buyer also has the right to contact the Public Utility Commission of Ohio at 1-800-686-7826 (voice) or 1-800-886-1670 (TDD/TTY) with questions or problems regarding the services provided under this Agreement.

21. Waiver:

No waiver by either Party of any default by the other Party under this Agreement shall operate as a waiver of any future default, whether of a like or different character or nature. No delay or failure by either Party in enforcing any part of this Agreement shall be deemed a waiver of any of its rights or remedies.

22. Severability:

The various provisions of this Agreement are severable. The invalidity, illegality or unenforceability of any portion or provision shall not affect the validity, legality or enforceability of any other portion or provision of this Agreement.

23. Entire Agreement:

This Agreement and the Confirmation contain the entire understanding of the Parties with respect to the subject matter contained herein. There are no promises, covenants or understanding other than those expressly set forth herein. This Agreement may only be amended by a written instrument executed by both Parties.

24. Counterparts:

This Agreement may be executed in one or more counterparts and each executed counterpart shall be considered an original, provided that such counterpart is delivered to the other Party by facsimile, mail, courier or electronic mail, all of which together shall constitute one and the same Agreement.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed.

DIRECT ENERGY BUSINESS, LLC

By:	_____	2014.05.15	CHAGRIN FALLS, VILLAGE OF
Print Name:	<i>M. J. [Signature]</i>	13:38:58	By: <i>[Signature]</i>
Title:		05:00	Print Name: <i>Benjamin Himes</i>
Date:			Title: <i>Chief Administrative Officer</i>
			Date: <i>5.15.14</i>



PowerSupply Coordination@
Service Agreement
Product Confirmation for
Ohio (PJM)
Fixed, All Inclusive
Utility Consolidated Bill

This Confirmation is an Integral part of the Agreement to which it is attached. Capitalized terms not defined in the Confirmation have the meaning referenced elsewhere in the Agreement.

Part I - Product and Pricing Description

Price: The total price per kWh for electricity to be paid by Buyer for the services provided hereunder during the Term of this Agreement shall be comprised of 1) Fixed Costs and 2) Pass-through Costs:

1) **Fixed Costs:** The price per kWh for Fixed Costs shall be as set forth on the Pricing Attachment, and includes applicable costs for a) Energy procured in accordance with Direct Energy's policies; b) transmission and distribution losses; c) all applicable costs for Ancillary Services; d) Capacity (as mandated by the PJM OATT and Operating Agreement, or as modified by PJM or approved by FERC); e) any applicable Network Integration Transmission Service ("NITS") charges, including Regional Transmission Expansion Planning (RTEP); f) Renewable Portfolio Standard ("RPS"); g) Reliability Must Run ("RMR") charges; h) Auction Revenue Rights; i) Marginal Loss Wholesale Credit; and j) the PSC Services fee.

2) **Pass-through Costs:** Pass-through Costs are stated as a separate line item(s) on the Invoice, and shall be passed through to the Buyer without mark-up and include charges for the following: a) any sales taxes, transactional taxes or other governmental or regulatory imposed taxes or surcharges to which Buyer may be subject; and b) delivery service charges provided by the Host Utility.

NITS, including RTEP, is a cost component included in Direct Energy's Price for accounts within the AEP Ohio (Ohio Power and Columbus Southern) Host Utilities. If Buyer's Host Utility is Dayton Power and Light, Duke Energy, Ohio Edison, The Illuminating Company, or Toledo Edison, then NITS, including RTEP and certain transmission-related ancillary services, will not be included in the price, and will be recovered by the Host Utility. If, for whatever reason, the NITS charges are not recovered by the Host Utility, then Direct Energy may commence billing Buyer for NITS charges, including RTEP, which applicable costs will be passed through to be paid by Buyer above the Price.

RMR is a cost component included in Direct Energy's Price for accounts within the AEP Ohio (Ohio Power and Columbus Southern), Duke Energy and Dayton Power and Light Host Utilities. If Buyer's Host Utility is Ohio Edison, The Illuminating Company or Toledo Edison, then RMR will not be included in the price, and will be recovered by the Host Utility. If, for whatever reason, the RMR charges are not recovered by the Host Utility, then Direct Energy may commence billing Buyer for RMR charges which applicable costs will be passed through to be paid by Buyer above the price.

The price per kWh during any Monthly Renewal will include the market-based costs for Energy as determined by Direct Energy, plus all other taxes, costs, charges or fees which are set forth in this confirmation.

Buyer acknowledges that any costs assessed by the Host Utility or any third Party as a result of Buyer's switch to or from Direct Energy, including but not limited to switching costs, are not included in the Price and shall be the responsibility of Buyer.

Additional Definitions:

"Capacity"

means the Capacity obligations met through the provisions of the PJM Reliability Assurance Agreement (RAA).

"PJM"

means the Pennsylvania New Jersey Maryland Interconnection, L.L.C. ("PJM").

"Reliability Must Run ("RMR")"

is a unit that must run for operational or reliability reasons, regardless of economic considerations. Also called reliability agreement.

"Renewable Portfolio Standard ("RPS")"

is a regulation that requires the increased production of energy from renewable energy sources.

Part II - Pricing Attachment

The Pricing Attachment for the Energy product described in Part I above is attached to, and is made a part of, this Confirmation. Buyer's execution of the Pricing Attachment shall constitute execution of the Confirmation.

Special Provisions applicable to this Confirmation:

1. Without limiting Section 1, Nature of Service, of the Agreement, as a condition to Direct Energy's obligations hereunder, Buyer must be accepted by Direct Energy and the Host Utility to receive a consolidated utility bill for both PSC Services and Electricity provided by Direct Energy and delivery services provided by the Host Utility.

2. Section 6, Billing and Payment of the Agreement, is hereby deleted in its entirety and replaced with the following:

Buyer will receive from Host Utility a monthly invoice, incorporating both the services provided under this Agreement and Host Utility charges, in accordance with the Host Utility's meter reading and billing cycle schedule. Direct Energy shall have the right to assign to Host Utility all amounts due from Buyer to Direct Energy and Buyer is to remit payment in full to the Host Utility. If Buyer fails to remit payment in full in any month, a late payment charge will be assessed at the same rate and in the same manner as Host Utility applies late payment charges to its unpaid charges. The Host Utility may, at its option, disconnect all services to Buyer for any failure by Buyer to make full payment of all amounts billed in accordance with Public Utilities Commission of Ohio (PUCO) rules for residential and non-residential service. In the case of such disconnection, Buyer shall be responsible for any and all charges required to reconnect service. If Buyer is disconnected, this Agreement shall terminate and shall be responsible for any to Actual Damages.

If for any reason during the Term of this Agreement, Buyer is terminated, suspended or withdraws from the utility consolidated bill program, Direct Energy, at its sole option, may either terminate this Agreement, in which case such termination would be responsible for Actual Damages, or continue to provide PSC Service and Electricity to Buyer on a dual bill basis pursuant to this Section 6. If Direct Energy decides to continue to provide PSC Service and Electricity to Buyer on a dual bill basis, Buyer will receive from Direct Energy a monthly invoice following its meter read date for Direct Energy's Services provided under this Agreement and the Host Utility will continue to bill Buyer directly for any transmission and Distribution charges.

Buyer will receive separate monthly invoices from Direct Energy, unless Buyer selects the Aggregated Billing option as described in this paragraph and reflected in a "Billing Contract Information and Selection Form." "Aggregated Billing" means that billing for Buyer's Facility(ies) may be combined into a single monthly invoice (excepting however, that an aggregated invoice may contain no more than fifty (50) Facilities. If Buyer has more than fifty (50) Facility(ies), Buyer shall receive more than one aggregated invoice). If Buyer selects Aggregated Billing, Direct Energy shall choose the day of the month on which to deliver an invoice to Buyer based upon the Facility(ies) meter read dates. In the event Buyer desires to discontinue Aggregated Billing and instead receive a separate invoice for each Facility, Buyer shall submit such request in writing to Direct Energy and Direct Energy shall separate Buyer's invoice provided that there are no outstanding invoice balance(s) on Buyer's Facility(ies).

In the event that Direct Energy provides a separate monthly invoice for its services, payment-in-full is due twenty (20) days from the date of the invoice. If Buyer fails to remit payment in full in any month, interest will be assessed on the late balance at the lower of one-and-one-half percent (1.5%) per month or the highest rate allowed by law.

If in any month Direct Energy does not receive the information necessary to invoice Buyer or uses information obtained from a third party meter reading service, Direct Energy may use either estimated data or the third party meter usage data to calculate Buyer's invoice and, upon receipt of actual data in the case of an estimated read, reconcile the amount billed on future invoices. If Buyer's Facility(ies) have any interval meters, Buyer acknowledges that the usage information for such meters contained on the Direct Energy invoice may vary from that contained upon the Host Utility bill as a result of different billing cycles being utilized for those meter reads.

No adjustments or corrections shall be made to any amount billed after the lapse of the longer of twenty-four (24) months from the date of the invoice or the time frame permitted by the Regional Transmission Operator, the Independent System Operator or the Host Utility's tariff for adjustments to consumption information.

Notwithstanding anything to the contrary of the above, if Buyer is enrolled or becomes enrolled in any net metering program, Buyer understands and agrees that Direct Energy will modify Buyer's billing option to a dual bill option consistent with the description above.

3. Section 10, Change in Law or Regulation of the Agreement is hereby deleted in its entirety and replaced with the following:

If regulatory changes shift costs from the Host Utility or ISO to Direct Energy or from Direct Energy to the Host Utility or ISO, then such costs or credits may be passed through to the Buyer. If any laws, orders or regulations are passed, modified, implemented or interpreted by judicial or regulatory order administrative proceeding or legislative enactment, or if there is a change in rate class which applies to Buyer's Facilities, or any changes are instituted to the utility consolidated bill program which creates additional costs not currently included in the Price or increases in the cost components of the Price ("Incremental Charges"), then Direct Energy may pass through such Incremental Charges to be paid by Buyer in addition to the Price and in accordance with the payment terms in this Agreement.

DE Proprietary

DE Proprietary

Notice: Buyer's execution and submission of this Pricing Attachment to Direct Energy shall constitute an offer by Buyer to Direct Energy to purchase Electricity on the terms set forth in the Agreement. The Agreement (including this Pricing Attachment) shall become effective only upon (i) such execution by Buyer of the Pricing Attachment and the Agreement; and (ii) the earlier of execution of the Agreement by Direct Energy or written confirmation by Direct Energy of its acceptance of the Agreement to Buyer.

PRICING ATTACHMENT TO POWERSUPPLY COORDINATION SERVICES AGREEMENT

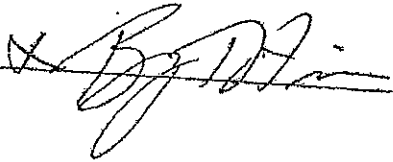
dated May 12, 2014 between
DIRECT ENERGY BUSINESS LLC
and

CHAGRIN FALLS, VILLAGE OF
from the meter road(s) June, 2014 to the meter road(s) June, 2017
PJM_FP_AI_UCB_OH

Location	Host Utility	Account Number	Utility Rate Class	Price (cents/kWh)	Historical Annual Usage
301 Meadow Ln (Village of Chagrin Falls)	Cleveland Electric	08004633121200000848	CE-GSD	6.484	1,817,294
301 Meadow Ln (Village of Chagrin Falls)	Cleveland Electric	08004633121900000840	CE-GSD	6.484	121,453

This Attachment is based on a Weighted Average Price. Any strikeouts of any of the accounts provided with a Weighted Average Price will render pricing for the accounts assigned with a Weighted Average Price null and void.

Accepted and Agreed to:

By:  Date: 5-15-14

STATE OF OHIO SALES AND USE TAX
UNIT CERTIFICATE OF EXEMPTION
VILLAGE OF CHAGRIN FALLS

Date: 5-15-14

The undersigned hereby certifies that he is Finance Director of the Village of Chagrin Falls, an Ohio Municipal Corporation, that he is authorized to execute this certificate, and that the following articles:

Electric Supply

are purchased from Direct Energy
for the exclusive use of said Village of Chagrin Falls, Cuyahoga County, Ohio.

It is understood that the exemption for the tax in the case of sales of articles under this exemption certificate to the United States, States, etc., is limited to the sale of articles purchase for their exclusive use, and it is agreed that if articles purchased tax free under this exemption certificate are used otherwise or are sold to employees or others, such fact will be reported and tax paid to the collector of internal revenue for the district in which the sale was made. It is also understood that the fraudulent use of this certificate to secure exemption will subject the undersigned and all guilty parties to a fine of not more that \$10,000.00 or to imprisonment for not more than five years, or both, together with the cost of prosecution.

By David B. Bloom
David B. Bloom

Village of Chagrin Falls
21 West Washington Street
Chagrin Falls, Ohio 44022

TAX I.D. NO. 34-6000574