



MARKET WATCHER ELECTRICITY PROGRAM

At this time, our market view suggests it is not in your best interest to join a long-term Fixed-Price electricity program. We recommend that you consider our Market Watcher electricity program. When averaged over the year, this program tends to be priced within, or better than, the two LDC price thresholds, offering you potential cost savings and the opportunity to avoid the RPP variance.

If you are not signed with a retailer, you are charged Regulated Price Plan (RPP) pricing for the electricity commodity by your local distribution company (LDC). If you do not yet have a Smart Meter installed, you are charged 6.5 cents per kWh for the first portion of your electricity usage in a month (750 kWh for commercial accounts, 1,000 kWh for residential accounts during the winter months, or 600 kWh during summer months) and 7.5 cents per kWh for all remaining electricity usage in that month (prices quoted are effective May 1, 2010).

Price Comparison – Market Rate versus RPP

(RPP subject to change November 2010)

FireFly/ Ag Energy Market Rate Price Average Jan 2010 through July 2010 (including Provincial Benefit)	RPP 1st Tier Price (varies by season and consumer type-residential or industrial/commercial)	RPP 2nd Tier Price (varies by season and consumer type-residential or industrial/commercial)
6.94 cents / kWh	6.5 cents / kWh	7.5 cents / kWh

Please refer to the Independent Electricity System Operator website www.ieso.ca

By the end of Spring 2011, it is expected that the RPP rates described above will change to Time-of-Use (TOU) rates as the majority of homes and businesses in Ontario will have Smart Meters and will be charged these TOU rates. Many are already on the new RPP program. TOU rates are currently:

LDC Pricing with Time of Use or Smart Meter

(Subject to change November 2010)

Weekdays		Weekends and Holidays (Off-peak)	
Time of Day	Cents / kWh	Time of Day	Cents / kWh
7am – 11am (Mid-Peak)	8	All day	5.3
11am – 5pm (On-peak)	9.9		
5pm – 9pm (Mid-peak)	8		
9pm – 7am (Off-peak)	5.3		

* This recommendation is based on the information available to Ag Energy Co-operative Ltd. and FireFly Energy in August 2010. Deciding to enter into a contract should be considered carefully. Verify the information provided at www.ieso.ca, www.oeb.gov.on.ca and competitor offerings at www.energyshop.ca.

This program is excellent for those who normally pay most of their electricity in the second tier of the LDC (RPP). Additionally, if you have a fairly consistent electricity load that does not reach extreme highs during peak periods, this may be the program for you. When averaged over the year, this program tends to be priced within, or better than, the two LDC price thresholds, offering you potential cost savings.

Under our Market Watcher electricity program:

- Your electricity price will be set each month based on the true market cost. Therefore, your electricity commodity charge per kWh will vary each month.
- You will continue to receive your bill from your LDC. On your bill, you will see FireFly/Ag Energy's supplier name near the electricity commodity charges.
- We offer this program through a 5 year contract, however FireFly/ Ag Energy allows for a penalty-free exit each year on your anniversary date.

Please note that while being on the Market Rate electricity program with FireFly/Ag Energy helps you avoid TOU pricing set by your LDC, it does not mean that your Smart or Interval Meter will not be recording your exact hourly usage. Your Smart or Interval Meter will continue to track and record your hourly usage precisely as it was intended to do. However, the rates you will pay for that usage will be the actual wholesale electricity rates in the Ontario Marketplace during each hour of the day for the exact amount of kW's you used during that hour (electricity rates in the Ontario Marketplace change on an hourly basis), instead of Time-of-Use rates set by your LDC, as illustrated above.

Also, once in this program, it is easy to switch to other FireFly/Ag Energy electricity offers you may be interested in as we continually monitor and evaluate market opportunities.

In the past, consumers who had contracted their electricity with a retailer received an ONPA rebate provided by the Ontario government. This program has been discontinued, so ONPA rebates no longer apply.

*Also, as a customer of FireFly Energy, or any other electricity retailer, your price per kWh is affected by the Provincial Benefit. It is shown as a separate line item on your bill. This adjustment accounts for differences between the market price and rates paid to generators. The Provincial Benefit may be a credit or a charge. Since early 2006, the Provincial Benefit has been a charge, or an increase to your bill. **The Provincial Benefit is included in the Market Watcher rate quoted by FireFly/Ag Energy above.***

If you have any questions, please call us toll free at 888-866-7575.

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