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Onorato, Ravenstahl Announce Historic Energy Purchasing Initiative

City and County invite other governments, authorities and organizations to join effort

PITTSBURGH — Allegheny County Chief Executive Dan Onorato and Pittsburgh Mayor Luke Ravenstahl today announced the Western Pennsylvania Energy Aggregation Program, an effort to create what could be the largest energy purchasing initiative in our region's history. Enabled by the energy load of the City and County, Co-exprise Inc., a Wexford-based technology and strategic sourcing company, will conduct a formal energy aggregation program that will be open to the region's hospitals, school districts, colleges, universities, municipal authorities, non-profit organizations and private businesses.

Due to the fluctuating costs of electricity, the City and County contracted with Co-exprise for energy procurement and management services, furthering the effort to merge purchasing to reduce costs to taxpayers. Co-exprise will provide web-based data, contract and program management, as well as competitive bidding and real-time, online reverse auctions.

The County Executive and Mayor sent formal letters inviting various organizations to join in the region's first-ever online reverse energy auction. No risk will be associated with the bidding process because organizations will still conduct a paper-bid reserve.

"Together, the City and County have conducted extensive research telling us that purchasing energy together will save taxpayers and businesses thousands of dollars," said Ravenstahl. "This

— more —

has the potential to be largest cost-saving public/private partnership in the history of Western Pennsylvania.”

An online reverse auction is a real-time bidding process in which each energy supplier is given a generic identifier and can see competitors’ bids, but not their names. Based on this real-time market feedback, the energy suppliers continue lowering bid prices until best market price is achieved.

“Expanding our purchasing efforts to include various regional businesses and organizations will lead to further energy cost-savings for all participants,” said Onorato. “The more kilowatt hours submitted in the reverse auction, the more enticing it will be for companies to make a competitive bid.”

The selection of Co-exprise was based on its competitive fee and proven experience in conducting online reverse auctions. Co-exprise’s fee is structured with no upfront costs, and it is earned only after an energy contract is awarded to a supplier. In addition, the fee is a transparent addition to the energy price and is paid by the successful supplier based on the consumer’s actual energy consumption.

“Co-exprise will outreach to dozens of energy suppliers, including Duquesne Light, First Energy and Strategic Energy, and based on our experience of sourcing billions of kilowatt hours across thousands of accounts, which range from Ford Motor Company to major cities like the District of Columbia, only the most competitive and qualified suppliers will participate on bid day,” said Co-exprise Chief Executive Officer William Blair. “The result is best market price for all Western Pennsylvania participants, including the County, City, and most importantly, their constituents.”

In order to quantify the total combined load that Co-exprise will market to energy suppliers and to construct lotting strategies that will eliminate any unintended price subsidization across participants, the County Executive and Mayor strongly encourage organizations to consider joining the initiative by November 12, 2007.

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For additional information on Co-exprise and its services, visit www.co-exprise.com.