



Office of the City Clerk

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Legislation Text

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CHICAGO December 12, 2012

To the President and Members of the City Council:

Your Committee on Finance having had under consideration

A substitute ordinance concerning the authority to adopt a Plan of Operation and Governance for the City of Chicago Electricity Aggregation Program and enter into an electricity and related services and equipment contract with a supplier.

SO2012-5074

Having had the same under advisement, begs leave to report and recommend that your Honorable Body pass the proposed Ordinance Transmitted Herewith

**This recommendation was concurred in by
of members of the committee with**

**Respectfully submitted
Chairman**

SUBSTITUTE ORDINANCE
AS AMENDED

WHEREAS, The Illinois Power Agency Act ("Act"), codified at 20 ILCS 3855/1-1, et. seq., authorizes the corporate authorities of the City of Chicago ("City") to adopt an ordinance under which it may aggregate residential and small commercial retail electric loads within the City; and

WHEREAS, The Act also authorizes the City, for the purpose of electricity aggregation, to solicit bids and enter into service agreements to facilitate for those loads the sale and purchase of electricity and related services and equipment; and

WHEREAS, The Act further requires, before implementing an opt-out electricity aggregation program, the corporate authorities of the City to submit a referendum to its residents to determine whether or not the electricity aggregation program shall operate as an opt-out program for residential and small commercial retail customers; and

WHEREAS, On June 27, 2012, the City Council, by unanimous vote, passed a resolution authorizing the placement on the November 6, 2012 election ballot a referendum question asking Chicago voters whether the City shall have authority to operate an opt-out electricity aggregation program; and

WHEREAS, In the November 6, 2012 election, City voters approved the City's authority as posed in the referendum question, thereby authorizing the City to operate an opt-out electricity aggregation program; now, therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

SECTION 1. The above recitals are expressly incorporated herein and made part hereof as though fully set forth herein.

SECTION 2. For purposes of this ordinance, the following definitions shall apply:

"Associate member", "default tariff service", "fixed price", "member", and "price to compare" shall have the meaning ascribed to the terms in Attachment 2.

"City" means the City of Chicago.

"ComEd" means the Commonwealth Edison Company.

"Program" means the program established by the City to provide residential and small commercial retail members and associate members with retail electric supply as described in

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Attachment 1.

"Supplier" means one or more retail electricity suppliers which the city selects and with which the city enters a contract to provide for the purchase of electricity and related services and equipment for purposes of the program as provided in SECTION 4 of this ordinance.

SECTION 3. The Mayor or his designee is hereby authorized to adopt a plan of operation and governance for the program consistent with the provisions of this ordinance and in a form substantially similar to the "City of Chicago Electricity Aggregation Program: Plan of Operation and Governance" document attached hereto as Attachment 1.

SECTION 4. The Mayor or his designee is hereby authorized to enter into an electricity and related services and equipment contract consistent with the provisions of this ordinance and in a form substantially similar to the contract attached hereto as Attachment 2 with a winning bidder selected through a competitive bidding process conducted by the City. This SECTION does not authorize entering into any contract other than the contract specifically described herein.

SECTION 5. In addition to any other applicable requirement, the following requirements shall be included in the program:

- a) The supplier shall make good-faith efforts to comply with the city's MBE/WBE participation goals as set forth in Section 2-92-430 of the Municipal Code of Chicago. Compliance with this SECTION or any request for a waiver of the requirement of this SECTION shall be in a manner substantially consistent with the "Special Conditions Regarding Minority Business Enterprise Commitment and Women Business Enterprise Commitment for MBE/WBE Professional Services" document attached hereto as Attachment 3.
- b) If the price to compare falls below the fixed price, then the supplier, at its option, may establish a rate equal to the ComEd price to compare or terminate this agreement and return members to the ComEd default tariff service at no cost to the City or the members.
- c) No fee for early termination, enrollment, switching, or relocation, or any other fee or surcharge, shall be imposed on members.

- d) Actual costs incurred by the City in conjunction with the program, including any fees paid to outside vendors for management of the program, shall be recovered by the City through payments from the supplier.
- e) Program prices for each customer class shall be uniform and shall not vary based upon address, income, credit status, ethnicity, race, religion or any

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other legally impermissible basis.

- (f) Residential and small commercial customers served under the program shall continue to receive monthly invoices from ComEd containing all electricity charges.

SECTION 6. Section 2-51-050 of the Municipal Code of Chicago is hereby amended by inserting the language underscored, as follows,

2-51-050 Commissioner of fleet and facility management - Powers and duties.

The commissioner of fleet and facility management shall have the following duties and responsibilities:

(Omitted text is not affected by this ordinance)

r. To procure and oversee public utilities for city-owned or leased facilities, including airport facilities and to oversee the implementation of public utility franchise agreements;

r-1. To operate, oversee and maintain the city's opt-out electricity aggregation program;

s. To enter into grant agreements with government entities, private businesses and civic groups necessary to implement energy conservation programs at all public buildings and public grounds operated, managed and maintained by the department;

(Omitted text is not affected by this ordinance) SECTION 7. This

ordinance shall take effect upon passage and approval.

Edward M. Burke Patrick J.

O'Connor

Alderman, 14th Ward Alderman, 40th

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City of Chicago Electricity Aggregation Program: Plan of Operation & Governance

December __, 2012
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I. HISTORY AND PURPOSE OF ELECTRICITY AGGREGATION

The Illinois Electric Service Customer Choice and Rate Relief Law of 1997 allows consumers served by Commonwealth Edison Company (ComEd) and Ameren Illinois Utilities to purchase electricity supply from certified alternative retail electric suppliers (ARES). When consumers purchase electricity from an ARES, ComEd remains responsible for distributing electricity to them.

Industrial and commercial consumers largely adopted the use of the ARES supply option by 2007 while residential consumers did not. As of December 2009, only 185 of the 3.45 million ComEd residential customers were exercising their right to purchase electricity supply from competitive ARES providers. Lack of participation was due to transactional barriers and general unfamiliarity with the methods and potential benefits of the deregulated marketplace.

Public Act 96-0176¹ became effective on January 1, 2010, and sought to remove barriers and reduce consumer risk by allowing local municipalities to serve as intermediaries on behalf of residential and small commercial consumers located within their municipal borders. This authority is termed "electricity aggregation."

Electricity aggregation allows local municipalities to negotiate electricity supply and service agreements on behalf of the residential and small commercial retail consumers located within their corporate borders. Several other states have passed similar electricity aggregation legislation, including California, Massachusetts, New Jersey, Ohio, and Rhode Island. To date, over 200 Illinois communities have established electricity aggregation programs to assist their residents with electricity purchasing. Due largely to certain long-term contracts entered into by the Illinois Power Agency in 2007, these municipalities have been able to secure electricity prices lower than those offered by ComEd on behalf of their residents. These municipalities have also been able to contract for better and more consistent consumer protections, and reserve the option to secure special services and supply options that meet the needs and policy objectives of the local community.

Pursuant to Section 1-92 of the Act, the City of Chicago (City) is authorized to aggregate the electric loads of small commercial retail and residential electricity consumers located within its municipal boundaries. As part of the electricity aggregation, the City may select a retail electric supplier (or suppliers) and may enter into a service agreement (or agreements) to provide for the purchase of electricity and related services and equipment on behalf of its small commercial retail and residential electricity consumers.

In accordance with the Act, on June 27, 2012, the City Council approved Resolution No. R2012-470, which authorized the placement of a referendum on the November 6, 2012 ballot asking whether the City should be able to establish an opt-out electricity aggregation program for its residential and small commercial retail consumers.

Prior to the passage of the referendum, the City retained the services of a consultant to assist with planning and implementing the City's electricity aggregation program (Program). The

¹ Public Act 96-0176 was codified as section 1-92 of the Illinois Power Agency Act (the Act).

consultant's scope of work includes: assisting the City in preparing the request for qualifications (RFQ) and the bid request from qualified RFQ respondents; advising the City regarding the selection of the retail electricity supplier (or suppliers); and advising the City on public outreach and education related to electricity aggregation.

The City will conduct the due diligence, contract negotiation, and competitive bidding to obtain the low prices for electricity that individual consumers are unlikely to be able to achieve on their own. As the region's largest municipality, the City anticipates achieving low prices, favorable terms, and high levels of customer service.

The City will not resell power through the Program. Rather, the City will competitively bid and negotiate a Power Supply

Agreement with one or more qualified and certified ARES (or ARESs) on behalf of Program participants. As part of its obligations under the Power Supply Agreement, the ARES (or ARESs) will provide electricity supply to residential and small commercial retail accounts enrolled in the Program at rates negotiated by the City. Also, the ARES (or ARESs) will assist the City in notifying residential and small business consumers about the Program, and facilitating the enrollment of individual electricity accounts into the Program. The ARES (or ARESs) will also provide ancillary services for Program participants as described in this Plan. The Program will operate on an opt-out basis, whereby all eligible residential and small commercial retail customers of ComEd located within the City will be automatically enrolled in the Program unless they decide to opt out of the Program. The Program will establish procedures by which parties may opt out of the Program to ensure that participation is voluntary, and consumers have the ability to decline to participate without penalty or fees.

By operating on an opt-out basis, the City can present a larger and more stable portfolio to potential bidders. As a result, the City hopes to receive more competitive and favorable offers from interested ARES.

As required by law, this Plan of Operation and Governance describes the City's plan for:

- 1) Providing universal access to all eligible residential and small commercial retail customers and equitable treatment of applicable residential and small commercial retail customers;
- 2) Providing demand management and energy efficiency services to each class of customers; and,
- 3) Meeting any other legal requirements concerning aggregated electric service.

The City conducted a public outreach campaign to educate consumers about the Program, and to gather input regarding Chicago residents' preferences for the development of this Plan of Operation and Governance. Outreach efforts included public meetings, two statutorily-required public hearings, press releases, an information mailing, and discussions with organizations and residents with a background in energy matters.

The City, the Consultant, and the selected ARES (or ARESs) will follow the Plan of Operations and Governances set forth in this document. Amendments to this Plan of Operations and Governances may be adopted in accordance with the Act at the option of the City. Any such amendments will be submitted to the City Council for review and approval.

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II. DEFINITIONS

The following terms shall have the meanings set forth below:

"Act" shall refer to the Illinois Power Agency Act, 20 ILCS 3855/1-1 et seq.

"Aggregation" shall mean the pooling of residential and small commercial retail electrical loads located within the City for the purpose of soliciting bids and entering into service agreements to facilitate for those loads the sale and purchase of electricity and related services, all in accordance with Section 1-92 of the Act.

"Agreement" shall mean the contract between the City and the winning ARES (or ARESs).

"ARES" has the same meaning as that set forth in section 16-102 of the Public Utilities Act. 220 ILCS 5/16-102.

"Associate Member" shall mean a commercial retail electric account that is not an Eligible Retail Customer that elects to enter into a supply agreement with an ARES (or ARESs) serving as a supplier (or suppliers) to the City's Program. An example of an Associate member is an account receiving service from ComEd under its small business tariff that consumes more than 15,000 kWh in a year.

"Ancillary Services" shall mean the necessary services that must be provided in the generation and delivery of electricity. As defined by the Federal Energy Regulatory Commission, Ancillary Services include: coordination and scheduling

services (load following, energy imbalance service, control of transmission congestion); automatic generation control (load frequency control and the economic dispatch of plants); contractual agreements (loss compensation service); and support of system integrity and security (reactive power, or spinning and operating reserves).²

"Bid" shall mean the submission a Qualified Bidder makes in response to the City's Bid Request.

"Bidder" shall mean a respondent to the City's Bid Request.

"Bid Request" shall mean a request to Qualified Bidders to provide pricing proposals.

"City" shall mean the City of Chicago.

"ComEd" shall mean the Commonwealth Edison Company

"Consultant" shall refer to any independent consultant with demonstrated expertise in electric supply contracting who is retained by the City to assist with the Program.

"Default Tariff Service" shall mean the applicable tariffed services provided by the Electric Utility as required by 220 ILCS 5/16-103 at the rates established in ComEd's "Price to Compare" for the applicable rate class, as posted on the ICC website, which includes ComEd's electricity supply charge plus ComEd's transmission services charge, but does not include ComEd's purchased electricity adjustment.

"Delivery Point" shall mean the ComEd interconnect.

² This is the definition used by the Federal Energy Regulatory Commission.

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"Electricity Supply" shall mean the electricity commodity plus necessary capacity, transmission, distribution, and ancillary services provided to Program Members and Associate Members.

"Electricity Supply Bid" shall mean the bid process pursuant to which the City solicits pricing for transactions during the term of the Agreement.

"Electricity Supply Price" shall mean the unit price (\$/kWh) offered to Members through the Program.

"Eligible Retail Customer" shall mean the residential and small commercial retail customers of ComEd located within the City limits that are eligible to participate in the Program pursuant to section 1-92 of the Act (20 ILCS 3855/1-92).

"Energy Efficiency Services" shall mean those services that would allow Members and Associate Members to more efficiently utilize electricity.

"Energy Efficiency Services Agreement" shall mean the contract between the City and an Energy Efficiency Services Provider.

"Energy Efficiency Services Provider" shall mean an entity that provides Energy Efficiency Services to Program Members and Associate Members through an Energy Services Agreement with the City.

"Fixed Price" shall mean a non-variable Full Commodity Price for a specified period. This price includes all costs associated with delivering electricity to the Delivery Point and ComEd's Utility Consolidated Billing and Purchase of Receivables services.

"Full Commodity Price" shall mean the all-inclusive unit price (\$/metered kWh volume) associated with delivering electricity to the Delivery Point. Such costs include, but are not limited to, energy (the cost of purchasing blocks of peak and off-peak energy, plus any shaping premium, plus any load following premiums), distribution losses (energy losses attributable to the distribution system), Ancillary Services (any additional charges from PJM that are not included in the

transmission service charge), capacity (any charges associated with meeting the capacity requirements for delivering energy through PJM), transmission service charge (charges that recover the costs of using the transmission system, including the costs for services necessary for the reliable operation of the transmission system), PJM Auction Revenue Rights (entitlement allocated annually to firm transmission service customers that entitle the holder to receive an allocation of revenues or charges from the annual firm transmission rights auction), PJM marginal losses (credits that are calculated as total net energy charges plus total net marginal loss charges), renewable portfolio standard (charges associated with fulfilling renewable energy obligations including alternative compliance payments to the ICC), purchase of receivables/utility consolidated billing (charges associated with participating in these ComEd billing programs),

"Full Electricity Requirements" shall mean a sale of electricity supplies and services by the supplier in which the supplier pledges to meet all of each Member's requirements, and the Members pledge to buy all of their electricity requirements from the supplier, for the delivery period identified in the RFQ.

"ICC" shall mean the Illinois Commerce Commission.

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"IPA" shall mean the Illinois Power Agency. "kWh" shall mean a kilowatt-hour.

"Load" shall mean the electric energy in kWhs required to serve the Members and Associate Members of the City's Program.

"Member" shall mean an Eligible Retail Customer enrolled in the City's Program.

"Opt-Out Notice" shall mean the written notice delivered to each Eligible Retail Customer by the City or the supplier identifying the procedures and protocols that they must use to elect to not participate in the Program.

"Opt-Out Period" shall mean the 14-day period of time during which an Eligible Retail Customer is informed in writing of the opportunity to not participate in the Program.

"PIPP" shall mean a Percentage of Income Payment Plan created by the Emergency Assistance Act (305 ILCS 20-18) to provide a bill payment assistance program for low-income residential customers.

"PJM" shall mean the PJM Interconnection, a regional transmission organization that coordinates the movement of wholesale electricity in all or parts of 13 states and the District of Columbia, including the ComEd service territory.

"Plan" shall mean this Aggregation Plan of Operations and Governance.

"Price to Compare" shall mean the unit price for ComEd electricity supply services for each customer class which is the sum of the electricity supply charge and the transmission services charge as established by ComEd Rider PE (Purchased Electricity) and Rate BES (Basic Electricity Service) or their successor Rates and Riders.

"Program" shall mean the program established by the City to provide residential Members and Associate Members with retail electric supply as described in this Plan.

"Program Database" shall mean the account information utilized by the City to track Members and Associate Members.

"Qualified Bidder" shall mean an entity that is determined by the City to be qualified on the basis of its qualification submittal to submit a bid for to provide energy supply or services to the Program.

"Rate GAP" shall mean ComEd's Government Aggregation Protocols rate. "RECs" shall mean duly certified and verified renewable energy credits.

"Retail Customer Identification Information" shall mean the retail customer information supplied by ComEd to the City in

connection with the implementation of the Program.

"RFQ" shall mean request for qualifications.

"RFQ Respondent" shall mean an ARES that submits a response to the City's RFQ.

"Small Commercial" shall mean a retail customer with an annual total energy consumption of less than 15,000 kWh.

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"RPS" shall mean the statutory requirements related to the procurement of renewable energy resources as included in section 16-115D of the Public Utilities Act. 220 ILCS 5/16-115D.

"Voluntary Enrollment Members" shall mean Eligible Retail Customers that seek to join the Program after a period of not being enrolled in the Program.

III. ROLE OF THE CITY

- A. Legal Compliance. The City shall be responsible for adopting: (1) an ordinance authorizing an opt-out electric aggregation program; and (2) the Plan of Operation and Governance. The City shall be responsible for issuing all required public notices and conducting all required public hearings concerning this Plan, and any amendments thereto, in accordance with Section 1-92 of the Act. 20 ILCS 3855/1-92.
- B. Consumer Outreach and Education. During the term of the Agreement, the City shall be responsible for coordinating or providing timely and accurate information concerning the Program to City residents. The City may engage the services of the Consultant and ARES(s) for assistance in performing this function.
- C. Identification of Eligible Retail Customers. The City shall submit initial and ongoing data requests to ComEd seeking the identification of residential and small commercial retail electric customer account information. The City may undertake, or assign to the Consultant or ARES, the task of verifying which residential and small commercial retail customers are located within the City's municipal boundaries. If the City assigns this task to the Consultant or ARES, the City will make available the resources necessary to complete the task including any or all of the following: property records, water and/or sewer records, fire and/or police department address records, 911 address records, street listings, and maps.
- D. Confidentiality. The City will maintain the customer information it receives in a confidential manner as required by section 1-92(c)(2) (20 ILCS 3855/1-92(c)(2)), and will use that information only for purposes of its electricity aggregation. The City may provide access to the customer information to the Consultant for the purposes of soliciting Electricity Supply and Energy Efficiency Service bids on behalf of the City for the Program. The Consultant is bound by confidentiality requirements in this regard, and shall only access and utilize consumer data at the direction of the City. Customer account information will be considered confidential and will not be disclosed under the Freedom of Information Act, except as required by law.
- E. Solicitation Development. The City, in cooperation with the Consultant, shall develop standardized solicitation documents in accordance with the terms set forth in this document. The City shall continue to periodically conduct competitive solicitations and enter into Power Supply Agreements so long it is in the best interest of the City's Eligible Retail Customers. Such future solicitations are subject to the approval of the Chicago City Council. The City is under no obligation to enter into any Power Supply Agreement with any ARES and may, in its discretion, choose to not pursue electricity aggregation. If the City were to choose to not pursue electricity aggregation, Eligible Retail Customers would

continue to receive service pursuant to ComEd's Default Tariff Service or, if individual Eligible Retail Customers so choose, to receive service from an ARES.

- F. Communication Materials. The City, in cooperation with the Consultant and ARES(s), shall draft customer notification materials during the switching and Opt-Out Period. The City shall specify the form and content of such materials, and all communications disseminated by the ARES(s) to residential and small commercial account holders during the opt-out process must be approved by the City.
- G. Program Cost Reimbursements. The City may receive reimbursements from supplier(s) to reimburse the City's expenses associated with establishing and managing the Program. The supplier(s) may treat such reimbursement expenses as pass-through expenses that are included in the Fixed Price.
- H. No Responsibility for Electricity Supply. The City, as a facilitator of the solicitation process, is not responsible for providing electricity to the Members or Associate Members or for billing or collecting for electricity provided under any Power Supply Agreement, and has no
- responsibility beyond the duties described herein.
- I. No Responsibility for Accuracy of Account Data. The City, Consultant and ARES shall have no responsibility to Members or Associate Members for the accuracy of the customer account information provided by ComEd.
- J. Associate Member Program. The City, in cooperation with the Consultant, may develop an Associate Member Program that would provide Program services to ComEd customers located within the City that are not an Eligible Retail Customer. Associate Members are to receive individual pricing offers from the Supplier, and are not entitled to the Fixed Price provided to Members.

IV. ROLE OF THE CONSULTANT

- A. Code of Conduct. The Consultant will comply with the code of conduct requirements included in section 16-115C of the Public Utilities Act. 220 ILCS 5/16-115C.
- B. Duties. The Consultant shall advise and assist the City with the development and implementation of its Program; including advising staff and elected officials on all aspects of the Program, developing necessary documents, assisting in the solicitation and review of responses and bids received, making recommendations as appropriate, and may be assigned the task of monitor the ARES' compliance with the requirements of the Power Supply Agreement.
- C. Required Independence and Disclosures. As required by section 16-115(c) of the Public Utilities Act (220 ILCS 5/16-115C), the Consultant has a fiduciary relationship with the City and owes the City the duty of loyalty and independent judgment. Pursuant to his agreement with the City, the Consultant will be disqualified if he acts as the agent for any ARES. It is the duty of the Consultant to disclose any such relationships to the City and to terminate its agency for the ARES in the event of such a relationship. Breach of such

agreement may result in the termination by the City of the agreement between the City and the Consultant.

- D. Fee. The Consultant shall be paid directly by the City in accordance with an agreement between the City and the Consultant. The City may be reimbursed for fees paid to the Consultant by the ARES (or ARESs) with whom the City

enters into a Power Supply Agreement (or Power Supply Agreements).

- E. Confidentiality. The Consultant shall not have access to any confidential customer account information unless so allowed by the City. If the Consultant is provided access to confidential customer account information, it will be bound by a confidentiality agreement. In the event the Consultant becomes privy to any confidential customer account information, it agrees not to use that information for any purposes outside the scope of the services provide by this Agreement, and specifically agrees not to use for itself, or to sell, trade, disseminate or otherwise transfer, that information to any other party for any purpose other than in furtherance of this Program.
- F. City Assistance. The Consultant shall advise the City on any changes in laws, rules, tariffs or any other regulatory matter that affects the aggregation during the formation of the Program and may be assigned the task of providing such advice during the term of the Power Supply Agreement.

V. SUPPLIER SELECTION

- A. Competitive Selections. The City, in cooperation with the Consultant, shall utilize a competitive solicitation process to select single or multiple ARES(s) and or single or multiple Energy Efficiency Service Provider(s). The competitive selection process will allow the City to issue written specifications for the energy supplies and services required by Program Members and Associate Members, distribute those specifications to potential suppliers, and to review proposals in a manner to secure the best value (as defined in the procurement documents) for Members and Associate Members. The City will not be required to enter into agreements with any Bidder pursuant to any solicitation.
- B. Selection Process. The City may conduct two-phase supplier selection processes. The first phase may be the issuance of an RFQ. The RFQ will be used to identify Qualified Bidders that can participate in the second phase. The second phase of the supplier selection process will be the submission of a bid document to Qualified Bidders.
- C. Request for Qualifications. For the initial Power Supply Agreement, the City, in cooperation with the Consultant, shall develop an RFQ that will be issued by the City's Department of Fleet and Facility Management. Through the RFQ process, the City will determine Qualified Bidders that meet the criteria specified in the RFQ. If an RFQ Respondent meets all requirements of the RFQ, the RFQ Respondent will be qualified to participate in a future bid process for supply of electricity to program participants.
 - 1. Disclosures. In determining whether RFQ respondents are responsible and should be qualified, the City will consider factors that include, but are not limited to, certifications, conflict of interest disclosures, taxpayer identification number, past

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performance, references, and compliance with applicable laws, financial stability, and the perceived ability to perform as specified. RFQ respondents must have financial resources sufficient, in the opinion of the City, to ensure performance of the Power Supply Agreement and must provide proof upon request.

- 2. Enrollments. RFQ respondents shall describe the manner and time in which the Opt-Out Process will be handled, and the manner in which it communicates with ComEd to enhance Eligible Retail Customer participation in the Program. RFQ respondents must describe the process for adding new customer accounts to the Program during the term of the Power Supply Agreement.
- 3. Enrollment Certainty. RFQ respondents must submit a detailed schedule and task description report identifying the measures to be taken to ensure timely enrollment of Member accounts. RFQ respondents must identify possible causes for delay in the enrollment process, present options for mitigating delays, and commit to paying damages for delays in the enrollment schedule that are due to the RFQ Respondent's failure to meet agreed-to performance

milestones identified in the schedule. Reimbursements will be calculated as the difference between the Fixed Price and the Price to Compare multiplied by the number of kWh billed during each monthly billing cycle that the Member remains on the ComEd Default beyond the targeted enrollment date.

4. PIPP participation. RFQ respondents shall certify that they can provide energy supply service to PIPP participants in a manner that does not cause PIPP participant to lose the benefits of the PIPP assistance program.
5. Member Services. RFQ respondents must describe how they will provide membership education, supply Opt-Out Notices, respond to customer inquiries, communicate with the public regarding the Program, and any other ongoing consumer education efforts.
6. Confidentiality. RFQ respondents must describe the controls they have in place to guarantee the confidentiality of customer account information.
7. Technical Qualification of Proposers. RFQ respondents must demonstrate that they satisfy each of the following requirements:
 - I. Certifications. RFQ respondents must document that they possess current and valid certifications and agreements necessary to the delivery of Electricity Supply to the Program:
 1. ICC Certification. RFQ respondents must have a current certificate of serviced authority from the State of Illinois as a certified retail electric supplier and any and all other licenses or certifications required by the ICC. Bidders must provide proof of their bond posting with the ICC.
 2. ComEd Registration. RFQ respondents must demonstrate their current registration as a retail electric supplier with ComEd.

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3. Existing Transmission Agreements. RFQ respondents must demonstrate their current supply agreement(s) for network integration transmission service under open access transmission tariffs.
- II. Resources. RFQ respondents must demonstrate that they possess the resources and systems necessary to serve the Program:
 1. Corporate Support and Resources. RFQ respondents must document the necessary corporate structure and local staff to provide energy power supplies to the Program.
 2. Financial Stability. RFQ respondents must provide documentation of investment-grade corporate debt rating as evidenced by one of the major investment rating agencies. RFQ respondents that operate as subsidiaries to larger corporate organizations must provide a letter of acknowledgement from the parent firm citing that the parent company supports the financial liabilities and obligations of the Respondent.
 3. EDI Systems. RFQ respondents must demonstrate that they possess an existing electronic data interchange computer network that is fully functional at all times and includes back-up file saving systems, and is capable of handling anticipated Program volumes.
 4. Communications Platforms. RFQ respondents must demonstrate the ability to receive and respond to inquiries from Program participants, including, at minimum:
 - a. Marketing Support. RFQ respondents must demonstrate that they possess the existing ability to reach Program participants to provide education on the terms of the Program and the Act. Bidders must demonstrate how marketing materials and messages can be provided to Members and Associate Members through, but not limited to, the following communication portals: regular mail; email distribution lists; websites; social media; and phone contact.

- b. Toll Free Call Center. RFQ respondents must demonstrate that they maintain - or will maintain - a toll-free telephone access line which shall be available to Program Members and Associate Members 24 hours a day, seven days a week. The call center shall be located in the United States. Trained company representatives shall be available to respond to customer telephone inquiries Monday through Friday from 6:00 am CDT to 9:00 pm CDT. Outside of these hours, the access line may be answered by a service or an automated response system, including an answering machine. Inquiries

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received after required hours shall be responded to by a trained company representative on the next business day. Under normal operating conditions, telephone answer times by a customer representative, including wait time, shall not exceed 30 seconds when the connection is made. If the call needs to be transferred, transfer time shall not exceed 30 seconds.

- c. Program Website. RFQ respondents must demonstrate that they maintain - or will maintain - a dedicated website for the Members and Associate Members. The website shall provide basic information concerning the Program and shall facilitate customer inquiries by providing a platform for the submission of questions. The website shall allow for opt outs during the Opt-Out Period and for enrollments after the Opt-Out Period. Responses to inquiries submitted through the website platform shall be made within 24 hours.
- d. Multiple Languages. RFQ respondents must demonstrate the ability to provide customer service for Members requiring non-English verbal and written assistance.
- e. Hearing Impaired Services. RFQ Respondents must demonstrate the ability to provide customer service for hearing-impaired Members.
- f. Data Services. The Supplier will provide Members with access to their account's historical electricity consumption and costs; information concerning the opportunities and advantages for energy efficiency and distributed generation; and analytical tools to aid in establishing more efficient use of electricity.

III. Policy Commitment. RFQ respondents must certify that they will comply with policy commitments deemed as priorities by the City. At a minimum, RFQ Respondents shall commit to the following:

- 1. Minority- and Woman-Owned Business Participation. RFQ Respondents must demonstrate minimum participation levels for • minority- and women-owned businesses in the fulfillment of Program requirements. The City will establish the goals that RFQ respondents must meet.
- 2. Compliance with the Law. RFQ respondents must commit to comply with all applicable laws and regulations of the State of Illinois and the City of Chicago.

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- 3. Bilateral Contracts. RFQ respondents must certify that it will (i) facilitate existing and future bilateral contracts with entities specified by the City for Electricity Supply and services; and (ii) treat such bilateral contracts as pass-through expenses without additional markup beyond the terms allowed in the Agreement to the Members and the Associate Members.

8. RFQ Response Evaluation. The City, in cooperation with the Consultant, will evaluate RFQ responses using the following criteria:

- I. Technical qualifications.
- II. Quality of the response to the solicitation.
- III. Quality of the communications plan and timeline.
- IV. Experience in the ComEd service region.
- V. Ability to enroll customers into the Program pursuant to an established schedule.
- VI. Any other factors deemed to be in the City's best interest.

9. Single or Multiple ARES. In the event the City determines that multiple ARES should be engaged as suppliers to the Program, the City will establish a method for fairly distributing Member accounts among the multiple ARES.

D. Electricity Supply Bids. The City, in cooperation with the Consultant, shall develop bid documents that will be distributed to Qualified Bidders. The solicitation documents will request bids for Electricity Supply. The City shall receive and evaluate bids and may enter into Power Supply Agreement with either a single or multiple ARES. The City shall be under no obligation to enter into any Agreement with any ARES and may, at its discretion, choose to reject all bids or to conduct a new solicitation to provide Electricity Supply under the same or amended terms of this Plan.

1. Contents of the Bids. The solicitations issued by the City on behalf of Members and Associate Members shall include at least the following contents:

- I. Term of Agreement. Bidders may propose the term period for their proposal. However, the City shall have the discretion to establish the term and period of any agreement based on a determination of the best interests of Members and Associate Members.
- II. Power Mix. The City may seek the cleanest and most efficient power mix possible without increasing cost. The power content of the electricity to be supplied to the Program will be negotiated between the Supplier and the City and will be known prior to delivery of the power supply. In addition, the City may require Bidders to identify the generation resources from which they plan to supply Program Members and Associate Members. The City may limit or prohibit electricity procured from certain generation types.

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III. Rates. One of the City's objectives in soliciting bids is to provide Members and Associate Members with delivered electricity prices that are less than the Price to Compare. As such, Bidders must commit to a rate that is below the Price to Compare during the entire term of the Agreement. In the event the Price to Compare is less than the Supplier's rate, then the Supplier will have the option of:

1. Reducing the Agreement Fixed Price to a rate at least equal to or below the Price to Compare; or
2. Transferring Program accounts to Default Tariff Service at the discretion of the City; or,
3. Transferring Program accounts to another ARES (or ARESs) selected by the City as authorized by the City Council.

Additionally, any pass-through costs, such as administrative reimbursements to the City, program costs, and assigned or bilateral agreements as defined in the program operations plan shall be disregarded for purposes of comparing the Fixed Price and the Price to Compare.

VI. POWER SUPPLY SERVICE AGREEMENT

The City, at its option, will execute a Power Supply Agreement with one or multiple ARES.

- A. Term. The City shall have the discretion to set the length of any Agreement term. During the term of any Agreement or the term of any Agreement extension or renewal, the Consultant will notify the City of changes in the rules or actions of the ICC and IPA that require changes in rates or service conditions.
- B. Rate. The Agreement shall specify the approved rates and the power mix for the Program, and shall specify additional fees (if any). The Agreement shall also specify any monies that are to be remitted to the City to reimburse the City for the costs associated with the development and management of the Program.
- B. Participation. The City may, at its discretion, enter an Agreement with one or multiple ARES to provide terms, prices, and specific service requirements for the Program. The Program will be comprised of Program Members and may include Associate Members.
- C. Scope. The City may, at its discretion, elect to secure Energy Efficiency Services as well as Energy Supply through the Power Supply Agreement.
- D. Electricity Supply. The ARES(s) shall supply the Full Electricity Requirements for the Program Members in accordance with the provisions as noted below:
 - 1. Supply of Power. The City reserves the right to require the ARES(s) to specify the power source content for the electricity it secures for Program needs. Additionally, the City reserves the right to specify that certain bilateral electricity supply

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arrangements be incorporated into the supply portfolio that supports the Program. The pricing for such bilateral contracts will be facilitated by the ARES(s) as pass-through expenses without additional markup beyond the terms allowed in the Agreement.

- 2. Supply of Capacity. The City reserves the right to require the ARES(s) to specify the sources for the capacity it secures for Program needs. Additionally, the City reserves the right to specify that certain bilateral capacity arrangements be incorporated into the supply portfolio that supports the Program. The pricing for such bilateral contracts will be facilitated by the ARES(s) as pass-through expenses without additional markup beyond the terms allowed in the Agreement.
- 3. Supply of Transmission Services. The ARES(s) shall arrange for such transmission services that are required to deliver electricity to the Delivery Point on behalf of the Members and Associate Members.
- 4. Renewable Portfolio Standard. The selected ARES(s) are required, at a minimum, to comply with the Illinois RPS. The City reserves the right to require that the selected ARES(s) procure renewable resources that exceed the current renewable energy resource requirements of the RPS.

Compliance with Requirements in the Energy Supply Bid. The Power Supply Agreement shall require the ARES(s) to maintain all required qualifications and certifications and to provide all services required pursuant to the Power Supply Services Bid.

Compliance with the Plan. The Power Supply Agreement shall provide that all services required in accordance and compliance with the Plan of Operation and Governance adopted by the City, provided that if there is any discrepancy between (a) the Plan of Operation and Governance, and (b) the Agreement, the terms of the Agreement will prevail. Specifically, and without limitation of the foregoing, the ARES(s) shall provide the City with such reports and information as required in this Plan.

Non-Competition. The Power Supply Agreement shall require that the selected Supplier not utilize data provided to the Supplier for the purposes of managing the Program to market electricity supply offers to eligible retail customers located within the City.

Equal Treatment. The Power Supply Agreement shall require the ARES(s) to provide equal Program access and not deny service to any Eligible Retail Customer. The ARES(s) shall not change rates for any Program Member or Associate Member unless such rate changes are provided for in the Agreement.

Hold Harmless. The Agreement shall require the ARES(s) to agree to defend, indemnify and hold harmless the City, its officers, employees, agents, and attorneys, from and against any injuries, claims, demands, judgments, damages, losses and expenses, including reasonable attorney's fees and costs of suit or defense, directly resulting from the Supplier's provision of the services to the Members and Associate Members, except to the extent caused by the negligence of the City. This duty shall survive for all claims made or actions filed within one year following either the expiration or earlier termination of the Agreement. The City shall

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give the Supplier timely written notice of its obligation to indemnify and defend the City after the City's receipt of a claim or action pursuant to this Section. For purposes of this Section, the word "timely" shall mean within a time period that does not cause prejudice to the respective positions of the Supplier and/or the City. Nothing herein shall be construed to limit the Supplier's duty to indemnify the City by reference to the limits of insurance coverage described in this Agreement.

J. Insurance. The Agreement shall require the ARES(s) to obtain and maintain, for the duration of the Agreement, such proof of insurance as the City deems necessary.

K. Additional Services. The Agreement may provide that the ARES(s) assist the City in developing a Member education plan. The Agreement may provide that the ARES(s) assist the City in developing energy efficiency and/or demand response programs. The Agreement will not preclude the City from developing its own Member education plan, energy efficiency, and/or demand response programs.

L. Fees and Charges. The Agreement shall establish the following limits on fees and charges:

1. The ARES shall not impose any terms, conditions, fees, or charges on any Member or Associate Member served by the Program unless the particular term, condition, fee, or charge, or the possibility of a change in the same, is clearly disclosed to the Member or Associate Member at the time the Member or Associate Member enrolls in, or chooses not to opt out of, the Program.
2. ComEd will continue to bill Members and Associate Members for late payments, delivery charges, monthly service fees, taxes, etc. These charges will remain the obligation of the Member or Associate Member in the event they leave the Program.
3. Termination, enrollment, and switching fees shall not be permitted.

M. Costs. The Agreement may require that all costs of Program development and administration may be paid by the ARES(s).

N. Termination of Service. The Agreement shall establish the following requirements concerning termination of service from the ARES(s) to the Program:

1. End of Term. The Power Supply Agreement with the supplier(s) will terminate upon the expiration date in the contract. In the event that a renewal with the supplier(s), or a new Agreement with another ARES(s) has not been executed, the supplier(s) will, at the option of the City, either (i) return all Program Members and Associate Members to the ComEd Default Tariff Rate, (ii) continue to provide service to Members and Associate Members pursuant to the terms of the Agreement.
 - I. If the City determines to allow the supplier(s) to continue supplying Members and Associate Members on a month-to-month basis, the supplier(s) will provide such service at a rate based on fair market value of electricity that is below the Price to Compare.
 - II. If the supplier(s) cannot provide Electricity Supply at a rate below the Price to Compare, the supplier(s) will return Members and Associate

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Members to the ComEd Default Tariff Rate provided it gives the City thirty (30) days' notice.

- III. If the City determines to allow the supplier(s) to continue supplying Members and Associate Members on a month-to-month basis, the supplier(s) will continue under such an arrangement until the City provides it with 30 day written notice to discontinue providing service. If the ARES(s) cannot provide Electricity Supply at a rate below the Price to Compare, the ARES(s) may, (i) return Members and Associate Members to the ComEd Default Tariff Rate provided it gives the City thirty (30) days' notice, or (ii) at the direction of the City, and as approved by the Chicago City Council, facilitate the transfer of the Members' and Associate Members' accounts to another ARES(s).

Early Termination. The City will have the right to terminate the Power Supply Service Agreement prior to the expiration of the term in the event the supplier(s) commits any act of default. Acts of default include but are not limited to the following:

- I. Breach of confidentiality regarding Member or Associate Member customer account information;
- II. The disqualification of the supplier(s) to perform the services due to the lapse or revocation of any required license or certification identified as a qualification in the RFQ or Bid processes;
- III. ComEd's termination of its relationship with the supplier(s);
- IV. Any act or omission which constitutes deception by affirmative statement or practice, or by omission, fraud, misrepresentation, or a bad faith practice;
- V. Billing in excess of the approved rates and charges;
- VI. Billing or attempting to collect any charge other than the approved kWh rates and contractually approved charges; or
- VII. Failure to perform at a minimum level of customer service required by the City.

Upon termination for any reason, the ARES(s) shall, at the direction of the City, either (i) return Members and Associate Members to the ComEd Default Tariff Rate, or (ii) facilitate the transfer the Members' and Associate Members accounts to another ARES(s) selected by the City. Upon termination of a Power Services Supply Agreement, each affected Member and Associate Member will receive written notification from the City notifying them of the termination and the alternative supply arrangements the City has arranged.

VII. IMPLEMENTATION PROCEDURES

A. Development of Program Database. Pursuant to ICC regulations, the City has and will periodically submit a municipal authority data request form (or its successor form) to ComEd, requesting that ComEd provide the City the aggregated customer usage data and customer names and mailing addresses. Pursuant to ComEd's Rate GAP, ComEd will provide the City with the requested information within 10 business days after receiving the request in accordance with those adopted protocols.

The City may utilize the assistance of the Consultant to remove any consumers determined to be ineligible due to one or more of the following:

1. The consumer is not located within the City limits;
2. The consumer has a pre-existing agreement with an ARES not providing services to the Program and has not delivered to the City a request to switch to the Program;
3. The consumer has free ComEd service;
4. The consumer is receiving service from ComEd on Rate BESH (Basic Energy Service Hourly Pricing);
5. The consumer is receiving service from ComEd on a rate that offers a price lower than the Program's Fixed Price;
6. The consumer is on a ComEd bundled hold status.

The information for the consumers identified as Eligible Retail Customers will serve as the basis for the Program Database. The Program Database and the retail customer identification information will remain the property of the City. The City may assign maintenance of the Program Database to the ARES(s) which shall comply with the confidentiality and non-compete provisions in the Power Supply Agreement.

After the retail customer identification information is reviewed, the City may itself, or elect to assign to the ARES(s), mail an initial Opt-Out Notice described below to all Eligible Retail Customers. Eligible Retail Customers that request to Opt-Out of the Program will be identified in the Program Database.

B. Maintenance of Accurate and Secure Customer Records. The City may assign the supplier(s) the responsibility to maintain the Program Database that will contain Member and Associate Member information. Member and Associate Member account information will include each account's retail customer identification information, the ComEd account number, the ARES account number, applicable rate code, applicable rider code, billed usage, and demand history. The database will be updated on an ongoing basis.

The City and supplier(s) shall preserve the confidentiality of all Members' and Associate Members' account information and of the database, and shall agree to adopt and follow protocols to preserve that confidentiality:

1. The supplier(s), as a material condition of the Agreement, shall not disclose, use, sell or provide Members' or Associate Members' account information to any person,

firm or entity for any purpose outside the operation of the Program. This provision will survive the termination of the agreement.

2. The City and the supplier(s), upon receiving customer account information from ComEd, shall be subject to the limitations on the disclosure of that information described in Section 2HH of the Consumer Fraud and Deceptive Practices Act. 815 ILCS 505/2HH.
3. The supplier(s) shall keep Customer account information for a minimum of two years following the termination of the Service Agreement.
4. The supplier(s) shall provide the City with access to the Program Database as well as standard and customized reports upon request.

C. Opt-Out.Process. The City's Program is an opt-out program. Any Eligible Retail Customer who opts out of the Program pursuant to the procedures stated below will remain on the ComEd Default Tariff Service unless and until the accountholder chooses another ARES or decides to join the Program.

1. Manner of Providing Notices and Information. The City (or, at the City's direction, the supplier(s)) will mail to each Eligible Retail Customer a written Opt-Out Notice to the address provided in ComEd's response to the City's request for Retail Customer Identification Information. The Opt-Out Notice will be printed on City Stationary, and sent in an envelope complete with a City return address and seal. The City may elect to assign the management and payment for the Opt-Out Notice process to the winning supplier(s), the Consultant, or another entity.
2. Content of Notice. The City will establish the format and contents of the Opt-Out Notice prior to distribution or mailing. The Opt-Out Notice will inform the Eligible Retail Customer of the existence of the electricity aggregation Program, the identity of the ARES(s) selected to provide supply services to their account, the rates to be charged by the winning ARES(s), the comparable rates charged by ComEd, the percentage savings represented by the winning ARES offer, and the terms and conditions of the winning ARES(s)' agreement(s).

The Opt-Out Notice will inform PIPP customers that they may participate in the Program and not lose PIPP eligibility by participating in the Program. The Opt-Out Notice will inform recipients that have existing supply contracts with other ARES that they may join the Program at their own option.

The Opt-Out Notice will specify the methods for exercising the opt-out option including a postage-prepaid Opt-Out card that will be attached to the Opt-Out Notice. Additional means of providing opt-out notification to the City such as a toll-free number, website, smart device quick response code, email address or fax number may be included in the Opt-Out Notice.

The Opt-Out Notice shall indicate that it is from the City, and include the City's name and seal on the envelope. The Opt-Out Notice shall be signed by a representative of the City.

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3. Opt-Out Period. Eligible Retail Customers shall have 14 calendar days from the postmark date on the Opt-Out Notice to notify the City of their intention to opt out of the City's Program. The time to respond shall be calculated based on the postmark date of the notice to the customer and the postmark date of the customer's response. Upon notification of intent to opt out of the Program, the account will be removed from the Program Database.

After the expiration of the Opt-Out Period, the Member list shall become final. All Eligible Retail Customers who have not provided notice of intent to opt out of the Program will be automatically enrolled as Members in the Program. Eligible Retail Customers will not have to take any steps to be included in the Program.

In the event that an Eligible Retail Customer has inadvertently not sent an Opt-Out Notice, or has not been included in the Program, the City and the winning ARES(s) will work with the Eligible Retail Customer to ensure that their decision to remain in or opt out of the Program is properly recorded and implemented by the ARES.

4. Data Request to ComEd. After the Opt-Out Notice period has expired, the City shall submit a Municipal Authority Data Request Form (or its successor Form) to ComEd, requesting that ComEd provide the City with the account numbers for Program Members. Pursuant to Rate GAP, ComEd will respond to the request within the ten (10) days.
 5. Notification to ComEd. The winning ARES(s) shall correlate each Member with their applicable ComEd account numbers. The winning ARES(s) shall submit to ComEd the account numbers for each Member to be enrolled into the Program and the rate to be charged to those Members pursuant to the Agreement. The winning ARES(s) shall provide the account enrollment information in the format required by ComEd.
 6. ComEd Communication with Customers. ComEd will then notify Members that they have been switched to the Program's winning ARES(s) and provide the Member with the name and contact information of the winning ARES. Members will have the option to rescind their participation in the Program according to procedures established by ComEd.
- D. Activation of Service. Upon notification to ComEd, the winning ARES(s) will begin to provide electric power supply to the Members of the Program. The service will begin on the Member's normal meter read date within a month when power deliveries begin under the Program. Members will continue to receive their monthly billing statements from ComEd. Members will continue to issue their monthly payments to ComEd.
- E. Subsequent Member Enrollments and Deletions. The winning ARES(s) shall establish procedures and protocols to work with ComEd on an ongoing basis to add, delete, or change any Member's status with the Program. After the initial Opt-Out period, Eligible Retail Customers can join the Program under the following mechanisms:
1. New Account Holders. The winning ARES(s) shall facilitate the addition of new Member accounts to the Aggregation Program during the term of the Power Supply

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Agreement. The City will periodically submit a request to ComEd for aggregated customer usage data and the names and mailing addresses for Eligible Retail Customers. The City, with the assistance of the winning ARES(s) and the Consultant, shall compare the new aggregated customer usage data and customer names and mailing addresses against the Program Database to identify new Eligible Retail Customers. The City and the winning ARES(s) will follow the Opt-Out Notice Process identified in Section VII(C) above to notify the new Eligible Retail Customers of the Program and allow them an opportunity to opt out of the Program. New Eligible Retail Customers who do not opt out of the Program will be enrolled into the Program at no cost. All new accounts shall be entitled to the rates set forth in the Power Supply Agreement.

2. Voluntary Enrollment. Eligible Retail Customers who chose to opt out of the Program during either the Initial Opt-Out Period or at any subsequent time shall be allowed to join the Program at any time at no cost. These Eligible Retail Customers can enroll in the Program by contacting the winning ARES and completing an enrollment application. Such customers shall be entitled to the rates set forth in the Agreement. Once such customers have completed the steps necessary to join the Program, they shall be considered Members.

3. Change of Address. Members who move from one location to another within the

corporate limits of the City may enroll their new accounts into the Program through either of the processes identified in Sections VII(E)(1) or VII(E)(2) of this Plan.

F. Member Services. At minimum, the winning ARES(s) shall provide the following services for the Program. Additional services from the winning ARES(s) or other service providers may be required by the City in the future.

1. Program Management and Documentation. The winning ARES(s) shall have a standard operating procedures manual that governs the activities and responsibilities of the winning ARES(s) staff assigned to the City's Program. At minimum, the winning ARES(s) shall have in place protocols and procedures that address member education, Opt-Out Notification, member inquiries, database management, reporting, and new account enrollment.

2. Member Interaction. The winning ARES(s) shall be responsive to the City's, Members', and Associate Members' inquiries about the Program.

a. Receiving Inquiries. The winning ARES(s) shall maintain at least the following options for receiving and responding to Member and Associate Member Inquiries.

1. Telephone Inquiries. The winning ARES(s) shall maintain a local or toll-free telephone access line which will be available to Members and Associate Members 24 hours a day, seven days a week. Trained company representatives will be available to respond to customer telephone inquiries during normal business hours. After normal business hours, the access line may be answered by a service or an

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automated response system, including an answering machine. Inquiries received after normal business hours must be responded to by a trained company representative on the next business day. Under normal operating conditions, telephone answer times by a customer representative, including wait time, shall not exceed 30 seconds when the connection is made. If the call needs to be transferred, transfer time shall not exceed 30 seconds. These standards shall be met no less than 90 percent of the time under normal operating conditions, measured on a quarterly basis.

2. Internet and Email. The winning ARES(s) shall establish and maintain a website for Members and Associate Members. The website shall provide basic information concerning the Program and will facilitate Member and Associate Member inquiries by email and or text. Responses to inquiries submitted through the website must be made by the next business day.

3. Bilingual Services. The winning ARES(s) shall provide customer service for Members and Associate Members requiring non-English verbal and written assistance.

4. Hearing Impaired. The winning ARES(s) must provide customer service for hearing impaired and hard of hearing Members and Associate Members.

b. Responding to Inquiries. The winning ARES(s) shall provide Members and Associate Members with the most accurate and actionable responses.

1. Procedures for Handling Members' and Associate Members' Reliability Issues. Inquiries or concerns regarding electricity service reliability shall be directed to ComEd.

2. Procedures for Handling Members' and Associate Members' Billing and Enrollment Issues. Inquiries or concerns regarding billing issues shall be directed to the entity with primary responsibility for the billing issue in question.

- a. Non-receipt of monthly bill. Member and Associate Member inquiries or concerns regarding the issuance and receipt of monthly bills shall be directed to ComEd.
- b. Bill Payment Issues. Member and Associate Member inquiries or concerns regarding the status of outstanding payment balances and past due issues shall be directed to ComEd.
- c. Distribution Charges or Taxes and Fees portions of the monthly bill. Member and Associate Member inquiries or

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concerns regarding the accuracy of the distribution charges or taxes and fees portions of the monthly bill shall be directed to ComEd.

- d. Electricity Supply Services or Program price portion of the monthly bill. Member and Associate Members inquiries concerning the electricity supply services or Program price portion of the monthly bill shall be directed to the winning ARES(s).
 - e. Program Enrollment. Eligible Retail Customer, Member, and Associate Member inquiries concerning the Program enrollment shall be directed to the ARES(s).
- c. Procedures for Handling Disputes. The winning ARES(s) will have direct contractual obligations with each Member and Associate Member. Disputes between the winning ARES (s) and Members and Associate Members shall be resolved at the earliest opportunity. Consistent with regulatory practice, any unresolved disputes should be directed to the ICC. The nature and extent of disputes between Members and Associate Members and the winning ARES(s) may serve as the basis for termination of the Agreement with the winning ARES(s) consistent with the provisions of Section VI(N)(2) of this Plan.
 - d. Updates and Disclosures. The winning ARES(s) shall provide the Program Members and Associate Members with updates and disclosures mandated by the ICC, the IPA or the City.
 - e. Online Account Data. The City may require the winning ARES(s) to provide Members and Associate Members with access to their individual customer account data and energy-related information (historical consumption, costs, comparisons with regional norms, energy efficiency and distributed energy program options, etc.) for the purposes of providing Members and Associate Member with the ability to better control energy consumption and costs.

G. Billing and Fees. Billing procedures and the applications of fees shall follow the following guidelines and requirements.

- 1. Billing Method. The winning ARES(s) will utilize the utility consolidated billing/purchase of receivables (UCB/POR) billing method. Under this method, ComEd shall prepare the bill for both ComEd's electric delivery charges and the winning ARES(s) electric supply charges and mail one bill to the customer. ComEd shall purchase the electric supply charges from the ARES(s) on the bill due date and treat those receivables as its own for credit purposes. ComEd shall retain the ability to disconnect for customer non-payment of the winning ARES(s) electric supply charges.

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- 2. Collection and credit procedures. Responsibility for collections and credit issue remain the responsibility of

the ComEd and the individual Members and Associate Members. Members and Associate Members are required to remit and comply with the payment terms of ComEd. The City will not be responsible for late payment or non-payment of any Member or Associate Member accounts. Neither the City nor the winning ARES(s) shall have separate credit or deposit policies for Members or Associate Members. The City shall require the winning ARES(s) to utilize the ComEd purchase of receivables option for retail suppliers.

3. Early Termination Fee. Members and Associate Members may terminate service from the winning ARES without penalty for any reason at any time without fee or penalty
4. Enrollment Fee. Eligible Retail Customers may join the Program at any time without fee or penalty.
5. Switching Fee. Members and Associate Members changing residency within the City will not be assessed early termination or enrollment fees.

I. Reliability of Power Supply. The Program will not affect the reliability of electricity service for Members and Associate Members. ComEd will continue to deliver power through their transmission and distribution systems. Responsibility for maintaining system reliability will remain with ComEd. If Members or Associate Members have service reliability problems, they should contact ComEd for repairs. The ICC has established "Minimum Reliability Standards" for all utilities operating distribution systems in Illinois. Member and Associate Member outages, duration of outages, interruptions, etc., are monitored to ensure reliability remains at ICC-approved levels. In addition to maintaining the "wires" system, ComEd is required to be the "provider of last resort." This means that if the winning ARES(s) fails for any reason to deliver any or all of the electricity needed to serve the Members' or Associate Members' needs, ComEd will immediately provide for the shortfall. ComEd would then bill the winning ARES(s) for the power provided on its behalf. In such a situation, the Members and Associate Members shall incur no additional cost.

VIII. ADDITIONAL SERVICE TERMS AND CONDITIONS

A. Reporting. The winning ARES(s) will provide to the City and to the Consultant the following reports:

1. Power Mix Reporting. The winning ARES(s) shall deliver quarterly reports to the City and the Consultant which demonstrate that: (a) it generated or purchased electricity with the claimed attributes in amounts sufficient to match actual consumption by the City; (b) the electricity was supplied to the interconnected grid serving the City.

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The report will show the source of the power and demonstrate that the power was provided in accordance with the RPS and the federal Clean Air Act regulations and permits.

If required by the City, the report will also demonstrate that the generation resource mix meets the requirements set forth by the City in the Power Supply Agreement.

2. REC Reporting. The ARES shall deliver reports that provide competent and reliable evidence to establish that it purchased properly certified RECS in a sufficient quantity to offset the non-renewable energy provided in the mix.
3. Aggregation Reports. The ARES shall provide the City with quarterly reports showing the number of Members and Associate Members participating in the Aggregation Program and the total cost for energy provided to the Program Members and Associate Members as compared to the ComEd Default Tariff rate.

B. Limitation of Liability. The City shall not be liable to Eligible Retail Customers, Members, or Associate Members for any claims, however styled, arising out of the Program or out of any City act or omission in facilitating the electricity aggregation Program.

IX. INFORMATION AND COMPLAINT NUMBERS

Copies of this Plan will be available from the City free of charge at www.cityofchicago.org/electricityaggregation <<http://www.cityofchicago.org/electricityaggregation>>. Any electric customer, including any participant in the City's Program, may contact the Illinois Commerce Commission for information, or to make a complaint against the ARES or ComEd. The ICC may be reached toll free at 217-782-5793.

**Power Supply Agreement By and
Between**

The City of Chicago and

This Power Supply Agreement (Agreement) is entered into as of this _____ day of _____ 2012 (Effective Date), by and between the City of Chicago (City), an Illinois **municipal corporation, and** _____ **("Supplier"), a [State of Incorporation]** corporation with an office located at [Local Illinois Address]. Supplier and the City of Chicago are sometimes hereinafter referred to individually as a "Party" or collectively as the "Parties".

WITNESSETH

WHEREAS, Section 1-92 of the Illinois Power Agency Act, 20 ILCS 3855/1-92, authorizes the corporate authorities of a municipality to establish a program to aggregate electrical loads of residential and small commercial retail customers and to solicit bids and enter into service agreements to facilitate the sale and purchase of electricity and related services for those electrical loads (Aggregation); and

WHEREAS, pursuant to the Act, municipalities may, if authorized by referendum, operate an Electricity Aggregation Program as an "opt-out" program that applies to all residential and small commercial retail electrical customers who do not affirmatively choose to participate; and

WHEREAS, the corporate authorities of the City have approved the placement of a referendum on the ballot for the November 6, 2012 general election regarding the establishment of an "opt-out" Aggregation Program pursuant to the Act; and

WHEREAS, the a Request for Pricing was issued on December 5, 2012; and

WHEREAS, Supplier is an ARES certified by the Illinois Commerce Commission and was identified as providing the lowest margin price submitted by responsible bidders pursuant to the Request for Pricing; and

WHEREAS, the City has selected Supplier as the supplier for the Electricity Aggregation Program; and

WHEREAS, the City and Supplier desire to establish the rights and obligations of the Parties with respect to aggregating, determining a Fixed Price, and providing Full Electricity Supply and related services for the Aggregation Program.

NOW, THEREFORE, the Parties, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, agree as follows:

ARTICLE 1: RECITALS

REVISED ELECTRICITY AGGREGATION PROGRAM AGREEMENT 1

The foregoing recitals are, by this reference, fully incorporated into and made part of this Agreement.

ARTICLE 2: DEFINITIONS

Whenever used in this Agreement, the following terms shall have the meanings defined below except where the context indicates otherwise:

- A. Act - The Illinois Power Agency Act, 20 ILCS 3855/1-1 et seq.
- B. Affiliate - Any person, firm, corporation (including, without limitation, service corporation and professional corporation), partnership (including, without limitation, general partnership, limited partnership and limited liability partnership), limited liability company, joint venture, business trust, association or other entity that now or in the future directly or indirectly controls, is controlled by, or is under common control with Supplier.
- C. Aggregation - The pooling of residential and small commercial retail electrical loads located within the City for the purpose of soliciting bids and entering into an Agreement to facilitate for those loads the sale and purchase of electricity and related services, all in accordance with Section 1-92 of the Act.
- D. Ancillary Services - The necessary services that shall be provided in the generation and delivery of electricity. As defined by the Federal Energy Regulatory Commission. "Ancillary Services" include, without limitation: coordination and scheduling services (load following, energy imbalance service, control of transmission

congestion); automatic generation control (load frequency control and the economic dispatch of plants); contractual agreements (loss compensation service); and support of system integrity and security (reactive power, or spinning and operating reserves).

- E. ARES - has the same meaning as that set forth in section 16-102 of the Public Utilities Act. 220 ILCS 5/16-102.
- F. Associate Member - A commercial retail electric account that is not an Eligible Retail Customer that elects to enter into a supply agreement with an ARES (or ARESs) serving as a supplier (or suppliers) to the City's Electricity Aggregation Program. An example of an Associate member is an account receiving service from ComEd under the Small Business tariff that consumes more than 15,000 kWh in a year.
- G. ComEd - The Commonwealth Edison Company
- H. Default Tariff Service - The applicable tariff services provided by the Electric Utility as required by 220 ILCS 5/16-103 at the rates established in ComEd's "Price to Compare" for the applicable rate class, as posted on the ICC website, which includes ComEd's electricity supply charge plus ComEd's transmission services charge, but does not include ComEd's purchased electricity adjustment.
- I. Delivery Point - The Commonwealth Edison Company.

REVISED ELECTRICITY AGGREGATION PROGRAM AGREEMENT

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- J. Designee - The person (or persons) empowered by the Chicago City Council through Ordinance to authorize and execute a contract price for electricity supply on behalf of the Electricity Aggregation Program.
- K. Electricity Supply - The electricity commodity plus necessary capacity, transmission, distribution, and ancillary services provided to Program Members.
- L. Eligible Retail Customer - The residential and small commercial retail customers of ComEd located within the City limits and eligible to participate in the Program as defined in section 1-92 of the Act (20 ILCS 3855/1-92).
- M. Extended Term - Defined in Section 3. A of this Agreement.
- N. Fixed Price - A non-variable Full Commodity Price for a specified period. This price includes all costs associated with delivering electricity to the Delivery Point and ComEd's Utility Consolidated Billing and Purchase of Receivables services.
- O. Force Majeure Event - Defined in Section 6.C of this Agreement.
- P. Full Commodity Price - The all-inclusive unit price (\$/metered kWh volume) associated with delivering electricity to the Delivery Point. Such costs include, but are not limited to: Energy (the cost of purchasing blocks of peak and off-peak energy, plus any shaping premium, plus any load following premiums), Distribution Losses (energy losses attributable to the distribution system), Ancillary Services (any additional charges from PJM that are not included in the Transmission Service Charge), Capacity (any charges associated with meeting the capacity requirements for delivering energy through PJM), Transmission Service Charge (charges that recover the costs of using the transmission system, including the costs for services necessary for the reliable operation of the transmission system), PJM Auction Revenue Rights (entitlement allocated annually to Firm Transmission Service Customers that entitle the holder to receive an allocation of revenues or charges from the Annual Firm Transmission Rights auction), PJM Marginal Losses (credits that are calculated as total net energy charges plus total net marginal loss charges) Renewable Portfolio Standard (charges associated with fulfilling renewable energy obligations

including Alternative Compliance Payments to the ICC), Purchase of Receivables/Utility Consolidated Billing (charges associated with participating in these ComEd billing programs),

- Q. Full Electricity Requirements - A sale of electricity supplies and services by the supplier in which the seller pledges to meet all of the each Member's and Associate Member's requirements, and the Members pledge to buy all of their electricity requirements from the supplier, for the delivery period identified in the pricing confirmation to this Agreement.
- R. Member - An Eligible Retail Customer enrolled in the City's Program.
- S. Opt-Out - The process by which a Member who would be included in the Aggregation Program chooses not to participate in the Aggregation Program.

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- T. Price to Compare - The unit price for ComEd electricity supply services for each customer class which is the sum of the electricity supply charge and the transmission services charge as established by ComEd Rider PE (Purchased Electricity) and Rate BES (Basic Electricity Service) or their successor Rates and Riders.
- U. Program - The program established by the City to provide residential and small commercial Members and Associate Members with retail electric supply as described in this Agreement.
- V. PIPP - The Percentage of Income Payment Plan created by the Emergency Assistance Act, 305 ILCS 20-18, to provide a bill payment assistance program for low-income residential customers.
- W. PJM - The PJM Interconnection, L.L.C., a regional transmission organization that coordinates the movement of wholesale electricity in all or parts of 11 states and the Province of Manitoba, including the ComEd Illinois service territory.
- X. Plan - The Aggregation Plan of Operation and Governance adopted by the Chicago City Council pursuant to the requirements set forth in Section 1-92 of the Act.
- Y. REC - Renewable Energy Credits.
- Z. Regulatory Event - Defined in Section 6.B of this Agreement. AA. Services - Defined in Article 5 of this Agreement.
- BB. Small Commercial - Non-residential retail customers with an annual consumption of less than 15,000 kWh per 220 ILCS 5/16-102.
- CC. Term - Defined in Section 3.A of this Agreement.

ARTICLE 3: TERM

A. Term of Agreement. This Agreement commences on the Effective Date, provided however, the supply service to Members shall not commence until ComEd's confirmation of member enrollment with the Supplier and shall continue for [TO BE DETERMINED] billing cycles. If during the term of this Agreement, the Price to Compare falls below the Fixed Price, then the Supplier, at its option, may establish a rate equal to the ComEd Price to Compare or terminate this agreement and return Members to the ComEd Default Tariff Service at no cost to the City or the Members. Additionally,

any pass-through costs, such as administrative reimbursements to the City, program costs, and assigned or bilateral agreements the program operations plan shall be disregarded for purposes of comparing the Fixed Price and the Price to Compare.

B. End of Term. This Agreement with the ARES will terminate upon the expiration date in the contract. In the event that a renewal with the ARES, or new Power Supply Agreement with another ARES(s) has not been executed, the ARES will, at the option of the City, either (i) return all Program Members and Associate Members to the ComEd Default Tariff Rate, or, (ii) extend the Agreement according to the terms in Article 3, Section C of this Agreement.

C. Extension. The City and the Supplier may extend the Term of this Agreement for

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additional periods of time up to [TO BE DETERMINED] billing cycles for each extension, by written mutual agreement approved and executed by each of them (each an "Extended Term"), which such extension may, among other things, provide for an opportunity to refresh the Fixed Price. Any modification to the Fixed Price in an Extended Term shall require Supplier issuance of a new opt-out notice for the Extended Term to all Members. Such Extended Term must be approved by the Chicago City Council. Nothing in this Article related to the Term or the possibility of agreement to an Extended Term may be construed or applied in any manner to create any expectation that any right or authority related to this Agreement granted by the City to the Supplier shall continue beyond the Term or an approved Extended Term. The City and Supplier may agree to allow the Supplier to continue to provide service to Members and Associate Members on a month-to-month basis after the expiration of the Power Supply Agreement.

1. If the City and the Supplier mutually agree to allow the Supplier to continue supplying Members and Associate Members on a month-to-month basis, the ARES will provide such service at a rate based on fair market value of electricity that is below the Price to Compare.

2. If the City and the Supplier mutually agree to allow the Supplier to continue supplying Members and Associate Members on a month-to-month basis, the ARES will continue under such an arrangement until the City provides it with 30 day written notice to discontinue providing service.

D. Notification. In the event the City decides either (a) the Program will terminate upon expiration of this Agreement and (b) that that it would like to select another Supplier after such expiration, then the City must provide notice to Supplier at least 90 days prior to the first expiration date with any Member.

ARTICLE 4: PROGRAM RESPONSIBILITIES A. City

Responsibilities.

1. Program Responsibilities. The City shall perform applicable duties related to the Program as required by Section 1-92 of the Act, e.g. adopting an ordinance authorizing aggregation, submitting a referendum to its residents, abiding by notice and conduct requirements of general election law, developing a plan of operation and governance, holding public hearings, and informing residents of opt-out rights.

2. Customer Information. Supplier and City shall cooperate to obtain the Customer Information from ComEd, subject to the limitations on disclosure of the Customer Information established at law, including without limitation the Act, Section 16-122 of the Public Utilities Act, 220 ILCS 5/16-102, and Section 2HH of the Consumer Fraud and Deceptive Business Practices Act, 815 ILCS 505/2HH.

3. Notices from ComEd. The City shall promptly forward to Supplier any notices received by the City from ComEd concerning the accounts of Members.

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4. No City Obligations to Provide Services. The Parties acknowledge and agree that the City is not responsible to provide, and this Agreement shall not be construed to create any responsibility for the City to provide, the Services to any person or entity, including without limitation the Supplier, ComEd, or any Member.

5. No City Financial Responsibility. The Parties acknowledge and agree that this Agreement does not impose or create, and shall not be construed to create, any financial obligation of the City to any other person or entity, including without limitation Supplier, ComEd, or any Member.

B. Supplier Obligations.

1. Provision of Services. The Supplier shall provide all of the Services described in Article 5 of this Agreement throughout the Term. The Supplier acknowledges and agrees that the City is not responsible to provide, and shall not be liable to the Supplier or any Member for any failure to provide, any Services pursuant to this Agreement.

2. Compliance with Applicable Law. Supplier shall comply with all requirements of law, including the Aggregation Ordinance, Plan of Operation and Governance, Illinois Power Agency Act, rules and regulations of the Illinois Commerce Commission, tariffs applicable to ComEd, PJM, and all other applicable federal, state, and local laws, orders, rules and regulations, including the terms and conditions in providing the Services pursuant to this Agreement.

3. Compliance with Plan of Operation and Governance. The Supplier shall provide all services required under this Agreement in accordance and compliance with the Plan of Operation and Governance adopted by the City and included in Exhibit 5 to this Agreement. If there is any discrepancy between (a) the Plan of Operation and Governance, and (b) this Agreement, the terms of this Agreement shall prevail.

4. Timely Enrollment. The Supplier shall provide the City with a detailed schedule and task description report identifying the measures to be taken to ensure timely enrollment of Member accounts within 2 days of the execution of this Agreement. The Supplier shall be obligated to paying reimbursements to Members for delays in enrollment that are due to the Suppliers' failure to meet agreed-to performance milestones identified in the schedule. Reimbursements will be calculated as the difference between the Fixed Price and the Price to Compare multiplied by the number of kWh billed during each monthly billing cycle that the Member remains on the ComEd Default beyond the targeted enrollment date.

5. Electricity Supply and Services. The Supplier shall supply the Full Electricity Requirements for the Program Members. In addition to securing and delivering electricity to the Delivery Point, the Supplier shall also meet the following requirements:

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- a. Renewable Portfolio Standard. The Supplier shall meet requirements of the Illinois Renewable Portfolio Standard. The Supplier shall facilitate securing volumes of renewable energy resources that exceed the current renewable energy resource requirements of the RPS at the request of the City. The Supplier shall treat the costs of such excess renewable energy resources as pass-through expenses without

additional markup beyond the terms allowed in the Agreement.

- b. Bilateral Contracts. Supplier shall facilitate including specific bilateral contracts with entities identified by the City for Electricity Supply and services. The Supplier shall treat such bilateral contracts as pass-through expenses without additional markup to the Members and Associate Members beyond the terms allowed in the Agreement.

ARTICLE 5: SUPPLIER SERVICES

The Supplier shall supply all of the following services in support of the Program (collectively, the "Services"):

A. Electricity Supply.

1. Electricity Supply.

- a. Transmission. Supplier will acquire and pay all necessary transmission services up to the Delivery Point to deliver electricity supply to Members and Associate Members, including all electricity commodity costs, PJM charges, congestion charges, distribution and transmission losses, and capacity charges.
- b. Billing. To the extent allowed by law and the ComEd tariff, Supplier shall make all arrangements for Members to receive a single monthly bill from ComEd during the Term. As part of such arrangement, it is expected that the following fees will continue to be collected and processed by ComEd: monthly payments, late payments, delivery charges and monthly service fee.
- c. Data. Supplier shall maintain a comprehensive and confidential database recording historical account information for Member accounts that has been provided to Supplier by ComEd, and maintain a current list of Members, and accounts that have opted-out of the Aggregation Program.
- d. Title. Title to and risk of loss for the electricity sold to Members shall pass to the purchasing Member upon delivery at the Delivery Point;

2. Supply Mix. Supplier shall be capable of providing the following energy supply mix to Members:

[To be determined as part of the Bid Process.]

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3. Delivery Specifications

- a. Quality and Measurement. Supplier agrees that all electricity sold shall be delivered in accordance with applicable PJM and ComEd rules and tariffs and suitable for delivery to and use by the Members.
- b. Title. Supplier warrants that it possesses or will possess good marketable title to all electricity sold to the Members and Associate Members, and that such electricity is free from all liens and adverse claims up to the Delivery Point.
- c. Delivery. Supplier shall deliver all electricity supplied to Members at the Delivery Point to secure delivery to the Members.

B. Program Implementation.

1. Member Service. Supplier shall maintain certain minimum levels of customer service including:
 - a. Program Management and Documentation. Supplier program management and documentation shall be in accordance with 1) this Agreement and its addenda; 2) the City's Plan of Operation and Governance as found in Exhibit 5; and 3) the Supplier's response to the City's Request for Qualifications as found in Exhibit 6.
 - b. Confidentiality. Supplier shall maintain the confidentiality of customer information pursuant to the terms of this Agreement and as required by law.
 - c. Customer Service. Supplier shall assist Members and Associate Members with their inquiries. Concerns regarding service reliability should be directed to ComEd, billing questions should be directed to ComEd or the Supplier, as applicable, and any unresolved disputes should be directed to the ICC. Inquiries from Members and Associate Members should be managed within the following performance parameters:

- i. Telephone Inquiries. Supplier shall maintain a toll-free telephone access line which shall be available to Members 24 hours a day, seven days a week. Trained company representatives shall be available to respond to customer telephone inquiries during normal business hours. After normal business hours, the access line may be answered by a service or an automated response system, including an answering machine. Inquiries received after normal business hours shall be responded to by a trained company representative on the next business day. Under normal operating conditions, telephone answer times by a customer representative, including wait time, shall not exceed 30 seconds when the connection is made. If the call needs to be transferred, transfer time shall not exceed 30 seconds. These standards shall

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be met no less than 90 percent of the time under normal operating conditions, measured on a quarterly basis.

- ii. Internet and Electronic Mail. Supplier shall establish and maintain a website for the Members and Associate Members. The website shall provide basic information concerning the Aggregation Program and facilitate customer inquiries by providing a platform for the submission of questions by email or text. Responses to inquiries submitted through the website platform shall be generated within 24 hours.
 - iii. Multi-Lingual Services. Supplier shall provide customer service for Members and Associate Members requiring non-English verbal and written assistance.
 - iv. Hearing Impaired. Supplier shall provide customer service for hearing impaired Members and Associate Members.
 - v. Data Services. Supplier shall provide Members and Associate Members with online access to their account's historical electricity consumption and costs; information concerning the opportunities and advantages for energy efficiency and distributed generation; and analytical tools to aid in establishing more efficient use of electricity.
2. Enrollments. Supplier shall perform the following Aggregation account enrollment tasks:
 - a. Opt-Out Period. The Supplier shall conduct an initial Opt-Out Period, which shall be a fourteen-

day period during which eligible residential and small commercial retail customers may opt out of the Aggregation Program prior to enrollment.

- b. Opt-Out Notifications. Supplier shall manage the Opt-Out Period Notification process under the supervision of the City and the Consultant, in accordance with the Plan of Operation and Governance. A single database shall track account enrollment and billing data.
- c. New Accounts. Supplier must facilitate the addition of new customer accounts to the Aggregation Program during the term of this Agreement. Members and Associate Members wishing to opt in to the Aggregation Program may contact the ARES to obtain enrollment information. The Supplier will provide new Eligible Retail Customers the same pricing available to initial enrollees. The Supplier shall clearly state the rate to be charged for new accounts prior to enrollment.
- d. Re-Joining the Aggregation Group. Supplier must assist Members that have Opted-Out to rejoin at a later date. Eligible Retail Customers may opt in to the Program at a later date in the same manner as new

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accounts. These Members may contact the ARES at any time to obtain enrollment information, and shall receive the same Fixed Price as all other Members

- e. Moving Within the City. Supplier must continue service at the same rate and under the same terms and conditions for any Member who relocates within the City prior to the expiration of the term of this Agreement, providing that the Member notifies the Supplier of its desire to do so with 30-days notice. The Supplier shall be responsible for providing notice to Members about this option, and shall provide such customers with the same pricing as all other Members
- f. Credit/Deposit Requirements. Collection and credit procedures are to be the responsibility of ComEd and the Member or Associate Member. Members and Associate Members will be required to comply with the payment terms of ComEd. The City is not responsible for late payment or non-payment of any Member or Associate Member account. Neither the City nor the Supplier shall have a separate credit or deposit policy concerning Member accounts.
- g. Reliability of Power Supply. The Parties acknowledge that the Program only affects pricing for the power supply up to the Delivery Point. ComEd will continue to deliver power through their transmission and distribution systems. Responsibility for maintaining system reliability continues to rest with ComEd. If Members or Associate Members have service reliability problems, they should contact ComEd for repairs. The ICC has established "Minimum Reliability Standards" for all utilities operating distribution systems in Illinois. Member or Associate Member outages, duration of outages, interruptions, etc., are monitored to ensure reliability remains at satisfactory levels. In addition to maintaining the "wires" system, ComEd is required to be the "Provider of Last Resort," meaning that should the Supplier fail for any reason to deliver any or all of the electricity needed to serve the Members' and Associate Members' needs, ComEd will immediately provide any supplemental electricity to the Members as may be required. ComEd would then bill the Supplier for the power provided on their behalf, and the Members and Associate Members would incur no additional cost therefore.
- h. Fees Imposition. Neither the City nor the Supplier shall impose any conditions, terms, fees, or charges on any Member or served by the Program unless the particular term, condition, fee, or

charge, or the possibility of a change in the same, is clearly disclosed to the Member or at the time the Members chose not to opt-out of the Program.

- i. Enrollment and Disenrollment Charges. Supplier shall not assess any early termination, enrollment, switching, or relocation fees on Members.

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The Supplier shall reimburse Members for any switching fee imposed by ComEd related to the enrollment of a Member into the Program within 30 days of receiving notice of such switching fee. The Supplier shall not be responsible to pay any switching fees imposed on Members who switch service from an alternative retail electric supplier.

- j. Form Documents. Examples of Opt-Out letters and communications are provided in Exhibit 2 to this Agreement.

C. Energy Efficiency, Renewable Energy, Distributed Generation, and Demand Response Programs. Supplier will work with the City to develop energy efficiency, renewable energy, distributed generation, and demand response assets. Energy efficiency, demand response, and renewable energy assets shall be treated as alternative supply options and appear as supply sources in the final power sourcing arrangements negotiated between the City and the Supplier.

D. Program Monitoring. Supplier is responsible for the faithful performance of this Agreement and shall have internal monitoring procedures and processes to ensure compliance, as more fully described in this Section.

1. Reporting. Supplier shall assist the City in developing a performance scorecard with conditions, milestones, requirements, or timetables related to Supplier's performance under the Program. The scorecard may additionally record matters related to price, service, quality and other factors deemed important.
2. Cooperation. Supplier shall cooperate with the City in monitoring and tracking Program activity. This may require Supplier to report progress, problems and proposed resolutions, performance records, allow random inspections of its facilities (on no less than 48 hours prior written notice), participate in scheduled meetings and provide management reports, all as reasonably requested by the City.

E. Cooperation at the Conclusion of the Aggregation. Supplier agrees that it shall cooperate with the City in its planning and implementation of an aggregation plan that may succeed the Program under this Agreement. In its cooperation, Supplier shall, at a minimum, in a manner consistent with the then-applicable ComEd Illinois tariff for Government Aggregation Protocols and as required by law, provide the City the names and addresses and account information for Members in electronic format.

F. Fixed Price. Supplier agrees that it shall provide to the City daily market price quotes to establish the Full Commodity Cost for the Agreement. The daily market price quotes will detail the line item costs of energy supply, capacity, transmission, ancillary services, and vendor margin available to the City that day. The daily market price quotes will be reviewed by the Consultant to establish that the individual pricing details are i) consistent with market prices and tariffs; and ii) consistent with contract terms. If the daily market price quote is deemed acceptable by the Consultant, the Consultant will inform the City of the price and pricing components and recommend acceptance. If accepted, the City Designee will affirm acceptance of the commodity price verbally and in writing to the Supplier.

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The Price for the Services is set forth in Exhibit A.

G. Reimbursement of City Costs. Within 90 days after the Effective Date of this Agreement, Supplier shall reimburse the City [TO BE DETERMINED] for professional, legal, Consultant, and administrative costs incurred by the City in connection with the adoption of the Aggregation Program and the negotiation and execution of this Agreement. The Supplier may treat such reimbursement expenses as pass-through expenses that are included in the Fixed Price.

ARTICLE 6: REMEDIES AND EVENTS OF DEFAULT A. Events of

Default Defined. The following constitute events of default:

1. Any material misrepresentation, whether negligent or willful and whether in the inducement or in the performance, made by Supplier to the City.
2. Supplier's failure to perform any of its obligations under this agreement including the following:
 - a. Failure to maintain a minimum level of customer service for Members. Minimum level of customer service requirements is defined as maintaining a minimum two-star rating as compiled by the Illinois Commerce Commission (the ICC). The ICC's ARES' customer complaint statistics can be found at <http://www.pluRinillinois.orR/com>plaints.aspx.
 - b. Demonstrating an inability to perform the services identified in this Agreement satisfactorily as a result of insolvency, filing for bankruptcy or assignment for the benefit of creditors.
 - c. Failure to promptly re-perform, as required, within a reasonable time and at no cost to the City, services that are rejected as erroneous or unsatisfactory;
 - d. Discontinuance of the Services for reasons within the Supplier's reasonable control;
 - e. Failure to comply with any other material term of this Agreement, including the provisions concerning insurance and nondiscrimination; and
 - f. Any other acts specifically stated in this Agreement as constituting an act of default.

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3. Any change in ownership or control of Supplier without the prior written notification of the City.
4. Supplier's default under any other agreement it may presently have or may enter into with the City for the duration of this Agreement. Supplier acknowledges that in the event of a default under this Agreement the City may also declare a default under any such other agreements.
5. Supplier's violation of City ordinance(s) unrelated to performance under the Agreement such that, in the opinion of the Chief Procurement Officer, it indicates a willful or reckless disregard for City laws and regulations.

B. Remedies. The occurrence of any event of default listed in section A above permits the City to declare the Supplier in

default. In addition to every other right or remedy provided to the City under this Agreement, if the Supplier is declared in default or otherwise fails to comply with any of the provisions of this Agreement (for reason other than an order, rule, or regulations of a governmental agency or court having jurisdiction over the Supplier and this Agreement or due to a force majeure or act beyond reasonable control of Supplier), then the City may give notice to the Supplier specifying that event of default or failure.

1. Cure Period. The Supplier will have 15 calendar days after the date of that notice to take all necessary steps to comply fully with this Agreement, unless (a) this Agreement specifically provides for a shorter cure period or (b) an imminent threat to the public health, safety, or welfare arises that requires a shorter cure period, in which case the notice must specify the cure period, or (c) compliance cannot reasonably be achieved within 15 calendar days but the Supplier promptly commences a cure and diligently pursues the cure to completion.
2. Failure to Cure. If the Supplier fails to comply within that 15-day period, or the shorter period if an imminent threat, or if the Supplier fails to promptly commence a cure and diligently pursue the cure to completion, then the City, subject to the limits of applicable federal or State of Illinois law, may take any one or more of the following actions:
 - a. Seek specific performance of any provision of this Agreement or seek other equitable relief, and institute a lawsuit against the Supplier for those purposes.
 - b. Institute a lawsuit against the Supplier for breach of this Agreement and seek remedies and damages as the court may award.
 - c. In the case of noncompliance with a material provision of this Agreement, declare this Agreement to be terminated.

C. Circumstance Leading to Termination. This Agreement may be terminated early in the following circumstances:

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1. Non-Compliance. If the Supplier fails to comply with any material term or condition of this Agreement, provided the failure continues beyond the Cure Period and written Notice of such failure is provided to the Supplier.

Material terms and conditions include but are not limited to:

- a. A breach of the confidentiality provisions in Article 10 of this Agreement;
- b. Supplier's disqualification as an ARES due to a lapse or revocation of any required license or certification required to perform the obligations set forth herein; or
 - c. ComEd's termination of its relationship with the Supplier;
- d. Any act or omission that constitutes a deception by affirmative statement or practice, or by omission, fraud, misrepresentation, or a bad faith practice, such as attempting to collect a charge other than the approved per kWh rates or other charges set forth in this Agreement or the Terms and Conditions with each Aggregation Member.
- e. Billing in excess of the approved rates and charges;

f. Billing or attempting to collect any charge other than the approved kWh rates and contractually approved charges; or

g. Failure to perform at a minimum level of customer service required by the City.

2. Failure to Schedule and Deliver. The failure of Supplier to schedule electricity supply to ComEd for the Members, except as permitted under force majeure events. Minimum level of customer service requirements is defined as maintaining a minimum two-star rating as compiled by the Illinois Commerce Commission (the ICC). The ICC's ARES' customer complaint statistics can be found at <<http://www.pluRinillinois.org/complaints.aspx>>.

D. Force Majeure Events. The Supplier shall not be held in default under, or in noncompliance with, the provisions of this Agreement, nor suffer any enforcement or penalty relating to noncompliance or default (including termination, cancellation or revocation of the Program), where such noncompliance or alleged defaults occurred or were caused by a "Force Majeure Event," defined as a riot, war, earthquake, flood, tidal wave, unusually severe rain or snow storm, hurricane, tornado or other catastrophic act of nature, labor disputes, governmental, administrative or judicial order or regulatory event or other event that is beyond the Supplier's control. In the event of the foregoing, the time periods for any obligations that Supplier must meet shall be extended for a period not to exceed the time lost be reason of the delay; provided that the Supplier must (i) use reasonable commercial efforts to mitigate or eliminate the cause of such delay or its effects and, (ii) if events in the nature of the force majeure event were foreseeable, have used commercially reasonable efforts prior to its occurrence to anticipate and avoid its occurrence or effect. Supplier must notify the City and Members in writing promptly of any failure or delay in, and the effect on, its performance.

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Notwithstanding the foregoing, Supplier shall be excused from its performance hereunder in the event of a strike, walkout, work stoppage or other labor dispute affecting its personnel, those of City or those of a third party.

E. Regulatory Event. The following shall constitute a "Regulatory Event":

1. Illegality. It becomes unlawful for a Party to perform any obligation under this Agreement due to the adoption of, or change in the interpretation of any applicable law by any judicial or government authority with competent jurisdiction.
2. Adverse Government Action. A regulatory, legislative or judicial body (A) requires a material change to the terms of this Agreement that materially or adversely affects a Party or (B) takes action that adversely and materially impacts a Party's ability to perform, or requires a delay in the performance of this Agreement that either Party determined to be unreasonable or (C) orders a change or modification that affect the Program such that either Party's obligations hereunder are materially changed (including the capacity market changes contemplated in FERC docket ER11-4081), and the charge is not deemed a Force Majeure Event.
3. New Taxes/Legislative or Regulatory Charges. Any new charges, tax or increases in such tax, or an application of such tax to a new or different class of parties, which is enacted or levied on the Supplier, not recoverable by Supplier from Members or Associate Members pursuant to Section 6 F below and effective after the Execution Date, except federal and state income taxes, employee taxes or other taxes assessed against the business of the Supplier or the delivery of services under this Agreement.
4. Occurrence of Regulatory Event. Upon the occurrence of a Regulatory Event, the adversely affected Party shall give notice to the other Party that such event has occurred. Within thirty (30) days, or such other period as the Parties may agree in writing, the Parties shall enter into good faith negotiations to

amend or replace this Agreement so that the adversely affected Party is restored as nearly as possible to the economic position it would have been in but for the occurrence of the Regulatory Event. If the Parties are unable to agree upon an amendment to this Agreement, within the prescribed time after entering negotiations, the adversely affected Party shall have the right, upon ten (10) days prior written notice, to terminate this Agreement. Upon termination of this Agreement as a result of a Regulatory Event, the obligations of Supplier and each Aggregation Member set forth in the Terms and Conditions shall survive termination.

F. Additional Charges. Taxes, or Levies. In the event that the electric utility, the PJM or other applicable regional transmission organization, any transmission provider, or any unit of government takes action or inaction that results in the imposition of a generally applicable additional charge, tax, or levy upon the Supplier, and similarly situated suppliers, for the provision of Services, then Supplier will adjust the Price to reflect such additional charge, tax or
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levy by the following procedure: The Supplier shall provide written notice to the City and Members within 15 days after the occurrence of such action or inaction, of: (i) the nature of the action or inaction; (ii) the adjustment of the Price for the applicable Term and (iii) the date on which the price adjustment will become effective. Within 15 days after receipt of the notice, the City shall have the right to request a meeting with the Supplier to review the action or inaction, and the price adjustment, identified by the Supplier. The Supplier and the City shall meet within five business days after delivery of such request to the Supplier, and shall cooperate in good faith to resolve any dispute regarding the price adjustment. Provided that nothing herein shall prevent the price adjustment from becoming effective on Members' bills on the date notice was issued. The Supplier shall continue to provide the Services during any such negotiations, unless prohibited by law or regulation. This Section shall not apply to any fine or penalty assessed against the Supplier as a result of any failure by the Supplier to comply with applicable laws and regulations.

ARTICLE 7: INDEMNIFICATION, INSURANCE, DISCLAIMER, AND LIMITATION OF LIABILITY

A. Indemnification. The Supplier shall defend, indemnify and hold harmless the City, its officers, employees, agents, and attorneys, from and against any injuries, claims, demands, judgments, damages, losses and expenses, including reasonable attorney's fees and costs of suit or defense, directly resulting from the Supplier's provision of the Services to the City, except to the extent caused by the negligence of the City. This duty shall survive for all claims made or actions filed within one year following either the expiration or earlier termination of this Agreement. The City shall give the Supplier timely written notice of its obligation to indemnify and defend the City after the City's receipt of a claim or action pursuant to this Section. For purposes of this Section, the word "timely" shall mean within a time period that does not cause prejudice to the respective positions of the Supplier and/or the City. Nothing herein shall be construed to limit the Supplier's duty to indemnify the City by reference to the limits of insurance coverage described in this Agreement.

B. Insurance. Contemporaneous with the Supplier's execution of this Agreement, the Supplier shall provide certificates of insurance, all with coverages and limits as set forth in Exhibit 4 to this Agreement. For good cause shown, the City may request submission of copies of the required policies of insurance upon such terms, and with such assurances of complete and prompt performance, as the City may impose in the exercise of its sole discretion. Such certificates and policies shall be in a form acceptable to the City and from companies with a general rating of A minus or better, and a financial size category of Class VIII or better, in Best's Insurance Guide. Such insurance policies shall provide that no change, modification in, or cancellation of, any insurance shall become effective until the expiration of 30 days after written notice thereof shall have been given by the insurance company to the City. The Supplier shall, at all

times during the term of this Agreement, maintain and keep in force, at the Supplier's expense, the insurance coverages provided above.

C. Limitation of Liability. EXCEPT AS OTHERWISE SPECIFICALLY PROVIDED HEREIN, IN NO EVENT WILL EITHER PARTY BE LIABLE TO THE OTHER PARTY UNDER THIS CONTRACT FOR REVISED ELECTRICITY AGGREGATION PROGRAM AGREEMENT 16

INCIDENTAL, INDIRECT, SPECIAL, OR CONSEQUENTIAL DAMAGES CONNECTED WITH OR RESULTING FROM PERFORMANCE OR NON-PERFORMANCE OF THIS AGREEMENT, IRRESPECTIVE OF WHETHER SUCH CLAIMS ARE BASED UPON BREACH OF WARRANTY, TORT (INCLUDING NEGLIGENCE OF ANY DEGREE), STRICT LIABILITY, CONTRACT, OPERATION OF LAW OR OTHERWISE.

ARTICLE 8: REPRESENTATIONS AND WARRANTIES

A. Mutual Representations and Warranties. Each Party represents and warrants to the other Party, as of the date of this Agreement, that:

1. It is duly organized and validly existing under the laws of the jurisdiction of its organization or incorporation, and if relevant under such laws, in good standing;
2. It has the corporate, governmental and/or other legal capacity, authority and power to execute, deliver and enter into this Agreement and any other related documents, and perform its obligations under this Agreement, and has taken all necessary actions and made all necessary determinations and findings to authorize such execution, delivery and performance;
3. The execution, delivery and performance of this Agreement does not violate or conflict with any law applicable to it, any provision of its constitutional documents, any order or judgment of any court or other agency of government applicable to it or any of its assets or any contractual restriction binding on or affecting it or any of its assets;
4. It has reviewed and understands this Agreement and has independently assessed the merits of this Agreement;
5. It shall comply with all federal, state, and local laws, regulations, licensing, and disclosure requirements.
6. It shall maintain the confidentiality of Members' and Associate Members' account information, as required by 815 ILCS 505/2HH;

B. Additional Representations by the Supplier. The Supplier hereby further represents to City, as of the date of this Agreement, that:

1. Supplier shall hold any and all subcontractors to the Confidentiality provision set forth below;
2. Supplier shall not compensate the Consultant with respect to the award of this Agreement or the performance of this Agreement;
3. Supplier shall obtain and maintain, for the duration of this Agreement, such proof of insurance as the City of Chicago deem necessary as detailed in Exhibit 4;
4. Supplier shall deliver or cause to be delivered all electricity supplied by Supplier to each Member to the appropriate node locations to effect delivery to the Delivery Point; and

REVISED ELECTRICITY AGGREGATION PROGRAM AGREEMENT 17

5. Supplier shall maintain all of the qualifications, certifications, approvals, and other authorizations required by law to provide the Services pursuant to this Agreement.
6. Supplier shall not utilize data provided to the Supplier for the purposes of managing the Program to market electricity supply offers to eligible retail customers located within the City.
7. Supplier must maintain an investment-grade corporate debt rating as evidenced by one of the major investment rating agencies. Supplier may provide a letter of acknowledgement from its parent firm citing that the parent company supports the financial liabilities and obligations of the Supply.

ARTICLE 9: CONFIDENTIALITY

Supplier shall preserve the confidentiality of the account information it receives as a result of the performance of its obligations set forth herein.

A. Supplier shall not disclose, use, sell or provide customer account information to any person, firm or entity for a purpose outside of the operation of the Program. This provision shall survive the termination of this Agreement.

B. Notwithstanding the foregoing, Supplier may disclose confidential account information as required by law, and any such disclosure shall not be a violation of this Agreement. However, such disclosure shall not terminate the obligations of confidentiality.

C. Supplier agrees to give the City prompt notice of any discovery request or order, subpoena, or other legal process requiring disclosure of any confidential account information.

D. To extent legally permissible and practicable, Supplier shall provide the City with sufficient advance notice as to give the City an opportunity, at the City's discretion and sole cost, to seek to quash the subpoena, obtain a protective order or similar relief.

E. In response to an order, subpoena, or other legal process, Supplier shall furnish only that portion of the confidential account information that is required or necessary in the opinion of Supplier's legal counsel. In addition, Supplier shall use reasonable efforts to obtain reasonable assurances that any account information so disclosed will be treated as confidential.

F. Notwithstanding the foregoing, nothing herein shall prevent the use by Supplier of such customer account information for the purpose of communicating with its customers or former customers. In addition, nothing herein shall prevent Supplier from using information in the public domain prior to its disclosure under this Agreement.

ARTICLE 10: MISCELLANEOUS

A. Entire Agreement. This Agreement, including all Exhibits, constitutes the entire Agreement and understanding between the Parties with respect to the Services, which are

REVISED ELECTRICITY AGGREGATION PROGRAM AGREEMENT 18

included herein. All prior written and verbal agreements and representations with respect to these Services are merged into and superseded by this agreement.

B. Amendment. All amendments or modifications to this Agreement shall be made in writing and signed by both Parties before they become effective.

C. Ownership of Data and Documents. All data and information, regardless of its format, developed or obtained under this Agreement ("Data"), other than the Supplier's confidential information, will be and remains the sole property of the City. The Supplier must promptly deliver all Data to the City at the City's request. The Supplier is responsible for the care and protection of the Data until that delivery. The Supplier may retain one copy of the Data for the Supplier's records subject to the Supplier's continued compliance with the provisions of this Agreement. Upon expiration of the Agreement, Supplier shall provide City with an electronic copy of data defined in Article 5(l)(c) at no cost to the City.

D. Assignment. This Agreement shall not be transferred or assigned by either Party without the express authorization of the other Party, which shall not be unreasonably withheld, provided, however, that upon advance written notice to the City, Supplier may assign this Agreement to an Affiliate without the express authorization of the City, provided that Supplier remains liable for Supplier's obligations hereunder.

E. Notices. Any notices, requests or demands regarding the services provided under this Agreement and the Attachments shall be deemed to be properly given or made (i) if by hand delivery, on the day and at the time on which delivered to the intended recipient at its address set forth in this Agreement; (ii) if sent by U.S. Postal Service mail certified or registered mail, postage prepaid, return receipt requested, addressed to the intended recipient at its address shown below, on the day of receipt; or (iii) if by Federal Express or other reputable express mail service, on the next business day after delivery to such express service, addressed to the intended recipient at its address set forth in this Agreement. The address of a Party to which notices or other communications shall be mailed may be changed from time to time by giving written notice to the other Party.

TO CITY:

TO SUPPLIER:

F. Waivers. The failure of either Party to insist upon strict performance of such requirements or provisions or to exercise any right under this Agreement shall not be construed as a waiver or relinquishment of such requirements, provisions or rights. Nothing in this Agreement shall be construed as a waiver of any rights, substantive or procedural, that the City may have under Federal or state law unless such waiver is expressly stated herein.

REVISED ELECTRICITY AGGREGATION PROGRAM AGREEMENT 19

G. Applicable Law and Choice of Venue. This Agreement shall be governed by, construed and enforced in accordance with the laws of the State of Illinois, without regard to principles of conflict of laws. Except as to any matter within the jurisdiction of the ICC, all judicial actions relating to any interpretation, enforcement, dispute resolution or any other aspect of this Agreement shall be brought in the Circuit Court of the State of Illinois, Chicago County, Illinois. Any matter brought pursuant to the jurisdiction of the federal court shall be brought in the United States District Court of the Northern District of Illinois.

H. Exhibits. Exhibits 1 through 6 attached to this Agreement are, by this reference, incorporated into and made part of this Agreement.

I. Controlling Provisions. In the event of any inconsistency between the text of this

Agreement and the terms of the Exhibits hereto, the text of the Exhibits shall control.

J. Severability. Any provision in this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions or affecting the validity or enforceability of such provision in any other jurisdiction. The non-enforcement of any provision by either Party shall not constitute a waiver of that provision nor shall it affect the enforceability of that provision or the remainder of this Agreement.

K. No Third-Party Beneficiaries. Nothing in this Agreement is intended to confer third-party beneficiary status on any person, individual, corporation or member of the public to enforce the terms of this Agreement.

L. Validity of Agreement. The Parties acknowledge and agree in good faith on the validity of the provisions, terms and conditions of this Agreement, in their entirety, and each Party expressly warrants that it has the power and authority to enter into the provisions, terms, and conditions of this Agreement.

M. Authority to Sign Agreement. Supplier warrants to the City that it is authorized to execute, deliver and perform this Agreement. The individual signing this Agreement on behalf of the Supplier warrants to the City that he is authorized to execute this Agreement in the name of the Supplier.

N. Binding Effect. This Agreement shall inure to the benefit of, and be binding upon, the City and the Supplier and their respective successors, grantees, lessees, and assigns throughout the Term of this Agreement.

O. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which shall together constitute one instrument.

P. Subcontractors. Supplier agrees to employ only those subcontractors that it determines are reasonably necessary. Subcontractors shall be held to the same strict confidentiality standards applicable to the Supplier, and shall be required to otherwise comply with the requirements of this Agreement. The use of subcontractors whether approved or unapproved shall not relieve the Supplier from the duties, terms and conditions in this Agreement. For purposes of this Agreement, regional transmission organizations, independent system

REVISED ELECTRICITY AGGREGATION PROGRAM AGREEMENT 20

- operators, local utilities, and renewable energy certificate counterparties are not considered subcontractors.

Q. MBE/WBE. Supplier agrees to adhere to the MBE-WBE compliance plan submitted in its response to the RFQ (Exhibit 6).

REVISED ELECTRICITY AGGREGATION PROGRAM AGREEMENT 21
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FOR IMMEDIATE RELEASE
December 7, 2012

CONTACT:

Mayor's Press Office
312.744.3334
press@cityofchicago.org

**MAYOR EMANUEL ANNOUNCES INTEGRYS ENERGY SERVICES AS WINNER OF
MUNICIPAL AGGREGATION CONTRACT**

*Agreement Will Deliver Savings and Cleaner Energy for Chicagoans; Finance Committee Will
Review Next Week*

Mayor Emanuel announced that the City has selected Integrys Energy Services from among eight interested companies to serve as Chicago's electricity supplier following an open and competitive two-stage bidding process. After undergoing a thorough review of its financial strength, customer service ratings, and ability to deliver cleaner energy, Integrys Energy Services was selected because it offered the lowest price margin. Based on the submitted price margins and current market conditions, the City projects that Chicagoans will save 20 to 25 percent a month on their first electricity bills from February to June, representing about \$25 in savings for the average household. Over the life of an agreement that ends in May 2015, Chicagoans will save 8 to 12 percent on their bills, resulting in a total savings of \$130 to \$150 for the average household for the entire agreement. In addition to delivering meaningful savings to Chicago residents and small businesses, the City's agreement with Integrys Energy Services will set new standards nationally by eliminating coal from its fuel mix.

"By buying electricity in bulk, we have secured an agreement that will put money back into the pockets of Chicago families and small businesses while ensuring that our electricity comes from cleaner sources," said Mayor Emanuel. "I look forward to working with the City Council to approve and implement the agreement on an expedited timeframe so we can start delivering savings."

"I am grateful that the City has identified a supplier which will enable Chicago residents and small businesses to save money on their electricity bills," said Alderman Edward M. Burke. "During these tough economic times, it is paramount that city leaders do everything possible to achieve savings for consumers."

Aldermen Burke and Alderman Patrick O'Connor were co-sponsors of a referendum which permitted voters to express their approval of municipal aggregation.

"I'm pleased that the City has completed its RFP process and selected a vendor for municipal aggregation of electricity," said Ald. Patrick O'Connor. "This is a great program that will help residents save money on electricity and I am proud to have been a part of bringing this to fruition."

Chicago's municipal aggregation supply agreement is the largest in the nation. The City is working on an expedited timeframe to ensure Chicago residents and small businesses can transition to the program as soon as possible. Chicago customers will begin seeing savings on their electricity bills in March 2013.

"We're pleased the City has chosen Integrys Energy Services as the exclusive electricity aggregation supplier for Chicago," said Dan Verbanac, President, Integrys Energy Services. "We look forward to bringing significant savings to our new customers as quickly as possible"

The transition to Integrys Energy Services will be seamless. ComEd will still be responsible for delivering

electricity, reading meters, and responding to outages. ComEd will also continue sending monthly bills and receiving payments, and customers will be able to keep the same budget billing and automatic payment options they have now.

The City used its bulk buying power to secure a cleaner power mix and create incentives for additional energy efficiency and local renewable energy programs.

The agreement with Integrys Energy Services includes:

- A complete elimination of coal from the City's portfolio
- A full account of all of the sources of fuel used to power the City, providing residents with an unparalleled level of transparency about the sources of their
- Positioning energy efficiency and renewable generation as an alternative resource in the supply portfolio to provide sustained local investments that will result in additional savings

In addition to providing Chicago residents and small businesses with cheaper and cleaner energy, the City's agreement will include a number of key customer service features, including:

- o A 24/7 call center with specialists who can speak multiple languages
- o Customers will be able to exit the program at any time at no cost.
- All Chicagoans will be eligible for the same low rate, regardless of credit history.

3 Integrys Energy Services will be required to always beat or match the ComEd price.

The program will be operated on an opt-out basis, meaning that Chicago residential and small commercial customers will be automatically transitioned into the program unless they opt-out. Residents and small businesses will have three ways to opt-out of the agreement, via phone, mail, and the web. The City will send an opt-out letter to each eligible customer, and recipients will have 14 days to opt out of the program. Additionally, residents can opt-out of the program at any time without charge, fee or penalty.

The City selected Integrys Energy Services to be its electricity supplier after an open and competitive, two-stage process. During the first phase, Integrys Energy Services was one of eight companies to respond to a Request for Qualifications, which required companies to establish that they could meet a number of customer service, account management, clean energy, and corporate health requirements. During the second stage, which ended on Friday afternoon, the City selected Integrys Energy Services on the basis of lowest price margin.

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CITY OF CHICAGO ECONOMIC DISCLOSURE STATEMENT and AFFIDAVIT
Related to Contract/Amendment/Solicitation EDS #38120

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting the EDS:

INTEGRYS ENERGY SERVICES, INC.

Enter d/b/a if applicable:

The Disclosing Party submitting this EDS is:

the Applicant

B. Business address of the Disclosing Party:

1716 LAWRENCE DRIVE DE PERE, WI
54115 United States

C. Telephone:

920-617-6147

Fax:

920-617-6070

Email:

rfsuennen@integrysenergy.com <mailto:rfsuennen@integrysenergy.com>

D. Name of contact person: Mr. RAYMOND

SUENNEN

E. Federal Employer Identification No. (if you have one):

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains:

Specifications No: 112257 Electric Aggregation City of Chicago Which City agency or department is requesting this EDS?

DEPT OF PROCUREMENT SERVICES

Specification Number

112257

Contract (PO) Number

Revision Number

Release Number

User Department Project Number

SECTION II - DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

Publicly registered business corporation

Is the Disclosing Party incorporated or organized in the State of Illinois?

No

State or foreign country of incorporation or organization:

Wisconsin

Registered to do business in the State of Illinois as a foreign entity?

Yes

B. DISCLOSING PARTY IS A LEGAL ENTITY:

1.a.1 Does the Disclosing Party have any directors?

Yes

1.a.3 List below the full names and titles of all executive officers and all directors, if any, of the entity. Do not include any directors who have no power to select the entity's officers.

Officer/Director:

Title:

Role:

Officer/Director: Title: Role:

Officer/Director:

Title:

Role:

Officer/Director:

Title:

Role:

Officer/Director:

Title:

Role:

Officer/Director:

Title:

Role:

Officer/Director:

Title:

Role:

Officer/Director:

Title:

Role:

Officer/Director:

Mr. William Guc

Treasurer

Director

Mr. William Laakso

Director

Director

Mr. Phillip Mikulsky

Director

Director

Mr. Joseph O'Leary CFO

Director

Mr. Mark Radtke
Chairman
Director

Mr. James Schott
Director
Director

Mr. Charles Schrock CEO
Director

Mr. Daniel Verbanac
President
Both

Mr. Ronnie Cardwell
Title: Role:
VP
Officer

Mr. Leonardo Caro
Title:
Officer
Officer/Director:
Secretary-
Officer

2. Ownership Information

Please provide ownership information concerning each person or entity having a direct or indirect beneficial interest in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture, interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate, or other similar entity. Note: Pursuant to Section 2-154-030 of the Municipal Code of Chicago, the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

- **Integritys Energy Group, Inc. - 100% - EDS 38121 Owner**

Details

Name Address
Group, Inc.

Integritys Energy 130 E. Randolph Dr. ste 2100
Chicago, IL 60601
United States

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

No

II

the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows:

- i. neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and
- ii. the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City.

NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

I certify the above to be true

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

- a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;
- b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;
- c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;
- d. have not, within a five-year period preceding the date of this EDS, had one or more public

- transactions (federal, state or local) terminated for cause or default; and
- e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

I certify the above to be true

3. Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years

SECTION IV DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

1. Has the Disclosing Party retained any legal entities in connection with the Matter?

No

3. Has the Disclosing Party retained any persons in connection with the Matter?

No

SECTION V CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415. substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage of any child support obligations by any Illinois court of competent jurisdiction?

No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23. Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if

before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

- a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;
- b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or
- c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or
- d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

I certify the above to be true

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of

- bid-rigging in violation of 720 ILCS 5/33E-3:
- bid-rotating in violation of 720 ILCS 5/33E-4: or
- any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

I certify the above to be true

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

I certify the above to be true

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), Chapter 2-56 (Inspector General) and Chapter 2-156 (Governmental Ethics) of the Municipal Code.

I certify the above to be true

7. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago.

None

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than \$20 per recipient.

None

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

The Disclosing Party certifies that, as defined in Section 2-32-455(b) of the Municipal Code, the Disclosing Party

is not a "financial institution"

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

No

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

If the Disclosing Party cannot make this verification, the Disclosing Party must disclose all required information in the space provided below or in an attachment in the "Additional Info" tab. Failure to comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies

during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

I can make the above verification

SECTION VI - CERTIFICATIONS FOR FEDERALLY-FUNDED MATTERS

Is the Matter federally funded? For the purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

No

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

- A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.
- B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. A training program is available on line at www.cityofchicago.org/city/en/depts/ethics.html <<http://www.cityofchicago.org/city/en/depts/ethics.html>>. and may also be obtained from the City's Board of Ethics, 740 N. Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

I acknowledge and consent to the above The Disclosing Party

understands and agrees that:

- C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void),

at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

- D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.
- E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. NOTE: With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing PERMANENT INELIGIBILITY for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

I acknowledge and consent to the above The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

I certify the above to be true

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U.S. General Services Administration.

I certify the above to be true

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such

contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

I certify the above to be true

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This question is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all corporate officers of the Disclosing Party, if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

No

ADDITIONAL INFO

Please add any additional explanatory information here. If explanation is longer than 1000 characters, you may add an attachment below. Please note that your EDS, including all attachments, becomes available for public viewing upon contract award. Your attachments will be viewable "as is" without manual redaction by the City. You are responsible for redacting any non-public information from your documents before uploading.

List of vendor attachments uploaded by City staff

None.

List of attachments uploaded by vendor

None.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS are true, accurate and complete as of the date furnished to the City.

/s/11/15/2012

Mr. RAYMOND SUENNEN
GOVERNMENTAL CONTRACTS COMPLIANCE COORDINATOR INTEGRYS
ENERGY SERVICES, INC.

This is a printed copy of the Economic Disclosure Statement, the original of which is filed electronically with the City of Chicago. Any alterations must be made electronically, alterations on this printed copy are void and of no effect.

**CITY OF CHICAGO ECONOMIC DISCLOSURE STATEMENT and
AFFIDAVIT Related to Contract/Amendment/Solicitation EDS #38121**

SECTION I - GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting the EDS:

IntegrYS Energy Group, Inc. Enter d/b/a if applicable:

The Disclosing Party submitting this EDS is:

a legal entity holding a direct or indirect interest in the Applicant

The Disclosing Party holds an interest in

INTEGRYS ENERGY SERVICES, INC. and EDS is 3 812 0

B. Business address of the Disclosing Party:

13 0 E. Randolph Dr. ste 2100 Chicago, IL
60601 United States

C. Telephone:

920-433-5546

Fax:

Email:

mrzwiers@integrysgroup.com <mailto:mrzwiers@integrysgroup.com>

D. Name of contact person:

Mr. Michael Robert Zwiers

E. Federal Employer Identification No. (if you have one):

SECTION II - DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY 1. Indicate the nature of the Disclosing Party:

Publicly registered business corporation

Is the Disclosing Party incorporated or organized in the State of Illinois?

No

State or foreign country of incorporation or organization:

Wisconsin

Registered to do business in the State of Illinois as a foreign entity?

No

B. DISCLOSING PARTY IS A LEGAL ENTITY: 1.a.1 Does the Disclosing Party have any directors?

Yes

1.a.3 List below the full names and titles of all executive officers and all directors, if any, of the entity. Do not include any directors who have no power to select the entity's officers.

Mr. Keith E. Bailey

Title:

Director

Mr. William J. Brodsky

Title:

Director

Officer/Director: Mr. Albert J. Budney Jr

Title:

Role: Director

Officer/Director: Ms. Pastora San Juan Cafferty

Title:

Role: Director

Officer/Director: Ms. Ellen Carnahan

Title:

Role: Director

Officer/Director: Ms. Michelle L. Collins

Title:

Role: Director

Officer/Director: Ms. Kathryn M. Hasselblad-Pascale

Title:

Role: Director

Officer/Director: Mr. John W. Higgins Title:

Role: Director

Officer/Director: Mr. Paul W. Jones

Title:

Role: Director

Officer/Director: Ms. Holly Keller Koepfel

Title:

Role: Director

Officer/Director: Mr. Michael E. Lavin Title:

Role: Director

Officer/Director: Mr. William F. Protz Title:

Role: Director

Officer/Director: Mr. Charles A. Schrock

Title: Chairman, President and Chief Executive Officer

Role: Both

Officer/Director: Mr. Lawrence T. Borgard

Title: President and Chief Operating Officer - Utilities

Role: Officer

Officer/Director: Mr. Phillip M. Mikulsky

Title: Executive Vice President - Business Performance and Shared Services

Role: Officer Officer/Director: Mr. Mark A.

Radtke

Title: Executive Vice President and Chief Strategy Officer

Role: Officer Officer/Director: Mr. Josphe P.

O'Leary

Title: Senior Vice President and Chief Financial Officer

Role: Officer

Officer/Director: Mr. Steven P. Eschbach

Title: Vice President - Investor Relations

Role: Officer

Officer/Director: Ms. Linda M. Kallas

Title: Vice President and Corporate Controller

Role: Officer

Officer/Director: Mr. William J. Guc

Title: Vice President and Treasurer

Role: Officer

Officer/Director: Mr. William D. Laakso

Title: Vice President - Human Resources

Role: Officer

Officer/Director: Mr. James F. Schott
Title: Vice President - External Affairs
Officer

Officer/Director:
Vice President, General Counsel and Secretary-
Officer

Mr. John R. Wilde
Vice President - Tax Strategy and Services
Officer

2. Ownership Information

Please confirm ownership information concerning each person or entity having a direct or indirect beneficial interest in excess of 7.5% of the Disclosing Party (your entity). Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture, interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate, or other similar entity. Note: Pursuant to Section 2-154-030 of the Municipal Code of Chicago, the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

As reported by the Disclosing Party, the immediate owner(s) of the Disclosing Party is/are listed below:

There are no owners with greater than 7.5 percent ownership in the Disclosing Party.

SECTION III - BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

No

SECTION V - CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage of any child support obligations by any Illinois court of competent jurisdiction?

Not applicable because no person directly or indirectly owns 10% or more of the Disclosing Party

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23. Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows:

- i. neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and
- ii. the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City.

NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

I certify the above to be true

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

- a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;
- b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

Is/11/15/2012 Mr. Michael Robert Zwiers Corporate
Records Administrator Integrys Energy Group, Inc.

This is a printed copy of the Economic Disclosure Statement, the original of which is filed electronically with the City of Chicago. Any alterations must be made electronically, alterations on this printed copy are void and of no effect.

the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse

or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all corporate officers of the Disclosing Party, if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

No

ADDITIONAL INFO

Please add any additional explanatory information here. If explanation is longer than 1000 characters, you may add an attachment below. Please note that your EDS, including all attachments, becomes available for public viewing upon contract award. Your attachments will be viewable "as is" without manual redaction by the City. You are responsible for redacting any non-public information from your documents before uploading.

List of attachments uploaded by vendor

None.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS are true, accurate and complete as of the date furnished to the City.

transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

- D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the

accuracy of any information submitted in this EDS.

- E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. NOTE: With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing PERMANENT INELIGIBILITY for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

I acknowledge and consent to the above The Disclosing Party represents and warrants that:

- F. 1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

I certify the above to be true

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This question is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed,

make any contract entered into with the City in connection with the Matter voidable by the City.

The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

I can make the above verification

SECTION VII - ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

- A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.
- B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. A training program is available on line at www.cityofchicago.org/city/en/depts/ethics.html <<http://www.cityofchicago.org/city/en/depts/ethics.html>>, and may also be obtained from the City's Board of Ethics, 740 N. Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

I acknowledge and consent to the above The Disclosing Party understands

and agrees that:

- C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List-

I certify the above to be true

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), Chapter 2-56 (Inspector General) and Chapter 2-156 (Governmental Ethics) of the Municipal Code.

I certify the above to be true

7. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago.

None

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than \$20 per recipient.

None

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

The Disclosing Party certifies that, as defined in Section 2-32-455(b) of the Municipal Code, the Disclosing Party

is not a "financial institution"

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

If the Disclosing Party cannot make this verification, the Disclosing Party must disclose all required information in the space provided below or in an attachment in the "Additional Info" tab. Failure to comply with these disclosure requirements may

- c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;
- d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and
- e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

I certify the above to be true

3. Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

- a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;
- b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or
- c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or
- d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

I certify the above to be true

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of

- bid-rigging in violation of 720 ILCS 5/33E-3:
- bid-rotating in violation of 720 ILCS 5/33E-4: or
- any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

I certify the above to be true

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