

Item #2:

Resolution Approving Aggregation Extension With Integrys

VILLAGE OF LONG GROVE
RESOLUTION NO. 2013-R-__

A RESOLUTION RATIFYING AND APPROVING A PROPOSAL
AND RELATED DOCUMENTATION FOR ELECTRICITY
UNDER ELECTRICITY AGGREGATION PROGRAM

WHEREAS, the Village of Long Grove ("**Village**") is an Illinois municipal corporation; and

WHEREAS, Article VII, Section 10 of the 1970 Constitution of the State of Illinois authorizes units of local government to contract or otherwise associate among themselves "to obtain or share services and to exercise, combine, or transfer any power or function, in any manner not prohibited by law or by ordinance" as well as to use their revenues, credit and other resources for intergovernmental activities; and

WHEREAS, the Intergovernmental Cooperation Act, 5 ILCS 220/1 *et seq.*, also authorizes the joint use and enjoyment of the powers, privileges, functions, and authority of local governments; and

WHEREAS, Section 1-92 of the Illinois Power Agency Act, 20 ILCS 3855/1-92 ("**Act**"), permits the corporate authorities of the Village, if authorized by referendum, to adopt an ordinance creating a program to allow the Village to solicit bids and enter into service agreements for the sale and purchase of electricity and related services and equipment to residential and small commercial customers in the Village who do not chose to opt-out ("**Electricity Aggregation Program**"); and

WHEREAS, the Act authorizes municipalities to jointly operate an Electricity Aggregation Program; and

WHEREAS, the Village of Long Grove and Villages of Arlington Heights, Buffalo Grove, Lincolnshire, Palatine, Vernon Hills and Wheeling ("**Consortium**") have entered into an Intergovernmental Agreement to pursue an Electricity Aggregation Program (the "**IGA**"); and

WHEREAS, the Consortium has completed a competitive selection process to provide residents and small businesses in the Village with a discount on electricity supply costs when compared to the rates offered by Commonwealth Edison, which selection process has reached an agreement with

Integrus Energy Services to supply electricity between June 2013 and May 2014 for approximately 8% less than Commonwealth Edison (the "*Integrus Proposal*"); and

WHEREAS, pursuant to Section 5.B.vi of the IGA approved by the Village Board, the Village Manager has been "authorized to accept the lowest and most responsible bid after opening of the Sealed Bids"; and

WHEREAS, pursuant to Section V.A of the plan of operation and governance (the "*POGO*") that the Village Board has adopted as part of the Village's Electricity Aggregation Program, the Village Manager is further authorized "to accept, accept with conditions, or reject any proposal in accordance with the Intergovernmental Agreement"; and

WHEREAS, consistent with the authority conferred under the IGA and the POGO, and in light of the fluidity of the electricity market, the Village Manager did accept the Integrus Proposal on behalf of the Village; and

WHEREAS, the President and Board of Trustees of the Village desire to ratify the actions of the Village Manager and confirm the approval of the Integrus Proposal for the period of June 2013 through May 2014, as more fully described in Exhibit A to this Resolution;

NOW, THEREFORE, BE IT RESOLVED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF LONG GROVE, COUNTY OF LAKE, STATE OF ILLINOIS, as follows:

SECTION ONE: Recitals. The foregoing recitals are hereby incorporated into and made a part of this Ordinance as if fully set forth.

SECTION TWO: Ratification and Confirmation of Approval. The President and Board of Trustees hereby ratify and confirm the approval by the Village of the Integrus Proposal as generally described in **Exhibit A** attached to this Resolution.

SECTION THREE: Execution. The Village Manager and the Village Clerk shall be, and are hereby, authorized and directed to execute and attest, on behalf of the Village, any and all agreements and all necessary documentation related thereto to implement the Integrus Proposal in accordance with the IGA and POGO.

SECTION FOUR: **Effective Date.** This Resolution shall be in full force and effect upon its passage and approval by the Village Board.

PASSED THIS 14TH DAY OF MAY, 2013.

AYES: (X) Trustees:

NAYS: (X)

ABSENT: (X)

APPROVED THIS 14TH DAY OF MAY, 2013.

Angie Underwood, Village President

ATTEST:

Karen Schultheis, Village Clerk

EXHIBIT A

Summary of Integrys Proposal



THE ILLINOIS COMMUNITY CHOICE AGGREGATION NETWORK

May 1, 2013

TO: Northwest Suburban Electricity Consortium
FROM: Mark Pruitt, Illinois Community Choice Aggregation Network
RE: Pricing evaluation for Program Year 2

The Consortium has completed a competitive selection process that will provide residents and small businesses with more than an 8% discount on electricity supply costs when compared to the rates offered by Commonwealth Edison. The agreement with Integrys Energy Services will save residents and businesses an estimated \$3.39 million between June 2013 and May 2014.

Program Pricing and Savings. The Consortium's municipal electric aggregation program negotiates lower costs for the electricity supply portion of residents' monthly electricity bills. The table below conveys the energy supply charges that consumers would receive from Commonwealth Edison if the aggregation program were not in place. The Commonwealth Edison default electricity supply rate (\$0.06110/kWh during the summer months and \$0.05973/kWh during non-summer months) is based on electricity purchases ordered by the Illinois Commerce Commission. The electricity supply prices for the aggregation program (\$0.05509/kWh for standard supply and \$0.05579/kWh for 100% renewable energy supply) were negotiated with Integrys Energy Services.

Commonwealth Edison Price to Compare (June 2013 through May 2014)				
Cost Element	ComEd Rates		Integrys Energy Services	
	(June–Sept)	(Oct–May)	Standard Supply Offer	100% Renewable Supply Offer
Purchased Electricity	\$0.04597	\$0.04559	\$0.05509	\$0.05579
PJM Transmission Service	\$0.00914	\$0.00914		
Purchased Electricity Adjustment	\$0.00500	\$0.00500		
Total	\$0.06011	\$0.05973	\$0.05509	\$0.05579
Average Consumer Savings Provided by Integrys Energy Services Offer			8.2%	7.0%

Even with Commonwealth Edison electricity supply rates dropping from their current rate of \$0.0882/kWh to \$0.06011/kWh in June 2013, and higher non-negotiable transmission, capacity, and tariff costs the aggregation program is still able to provide substantial cost savings and stability to residents.

Renewable Energy Option. In addition to lower electricity supply prices, the municipal aggregation program allows residents the option of going green with a 100% renewable energy supply option. The 100% renewable energy option is available to all account holders served by the aggregation program for a very modest fee of \$0.0070/kWh. For an average home using 10,000 kWh per year, the cost of going green is only \$7.00 per year or less than \$0.60/month. Residents who want the 100% renewable energy option need only inform Integrys Energy Services of their decision and Integrys will convert their account to the 100% renewable energy offer

Next Steps. By Mid-May, Integrys Energy Services will send letters to all residential and small commercial account holders in the community to inform them of the pricing and renewable energy offers. Residents that do not wish to participate may opt-out of the program at no fee or charge by sending in a postage paid post card, calling a toll-free number, or disenrolling online. Residents that do nothing will be automatically enrolled in the program the under the Standard Supply offer. Residents interested in the 100% renewable energy option for their residential to small business accounts simply need to call Integrys Energy Solutions and inform them of their choice.

CONFIRMATION

This Confirmation dated May 1, 2013, once fully executed, is an agreement entered into pursuant to the terms of the Aggregation Program Agreement between IntegrYS Energy Services, Inc. ("IntegrYS" or "Seller") and the Village of Long Grove (the "Municipality"), and forms a part thereof.

IntegrYS and the Municipality agree that the Aggregation shall receive the Fixed Rate set forth below for the Delivery Period set forth below:

Delivery Period: Last meter read on or before June 30, 2013 through May 2014 Meter Read

Fixed Rate: \$0.05509 per kWh

The Price does not include utility distribution charges or applicable taxes. Both Parties recognize that components of the Fixed Rate include electric tariff charges that are authorized by the Illinois Commerce Commission, Independent System Operator, other state or governmental agencies having jurisdiction, and/or the Federal Energy Regulatory Commission. Any increase in these charges subsequent to the execution of this Confirmation may be directly passed through to Aggregation participants by a corresponding increase in the Fixed Rate.

Price Match: At any time during the Delivery Period of this Confirmation, the Municipality can request that IntegrYS perform a comparison of the Fixed Rate to the Average Price to Compare. If the comparison demonstrates that the Average Price to Compare has fallen below the Fixed Rate, then IntegrYS, at its option, may either (a) lower the Fixed Rate to match that of the Average Price to Compare or (b) terminate this Agreement without damages or early termination fees to either Party if the Municipality does not agree to maintain the Aggregation Program at the Fixed Rate without the need to match. "Average Utility Price to Compare" shall mean the load weight-averaged Price to Compare by rate class based on ComEd load profiles from the start of the Delivery Period through the month immediately preceding the month of the comparison. "Average Price to Compare" means the ComEd Price to Compare for the applicable rate class, as posted on the ICC website (www.pluginillinois.org), which includes ComEd's electric supply charge, plus ComEd's transmission services charge, but shall not include ComEd's purchased electricity adjustment or ComEd's distribution charges. Additionally, IntegrYS shall not be required to match if the Price to Compare ceases to exist or becomes a market-based rate for a particular rate class as a result of a regulatory action.

Opt-In RECS:

- A. **RPS:** The Parties acknowledge that a certain percentage (7 as of the date of this Confirmation, but changing by planning year of a customer's metered usage during the Delivery Period) is already supported by REC purchases as a result of the Illinois Renewable Portfolio Standard requirement. IntegrYS will commit to satisfy those RPS requirements with non-carbon products (including without limitation hydro, wind, etc.)
- B. **Members who do not elect to receive the enhanced REC product:** Members who do not affirmatively elect an enhanced Renewable Energy Credit product will not receive RECs in addition to the RPS requirement and will pay the Fixed Rate identified above.
- C. **Members who elect to receive the enhanced REC product:** For Members who affirmatively elect to receive an enhanced REC product on IntegrYS' website or through IntegrYS' call center, IntegrYS will procure RECs to support the percentage of customer's load not already supported by RPS purchases. For the remainder of the load, IntegrYS will obtain RECs from MRETS- or PJM-sited wind and/or hydro resources. The actual generation will not change, but the environmental attributes and reporting rights (the two things that make up RECs) will be sourced from a MRETS- or PJM-sited wind and/or hydro resource. Together, the RECs plus the "traditional" energy generation make for a renewable offering. The RECs may be generated in the same calendar year associated with the metered electricity, the first three months following such calendar year, or the last six months of the prior calendar year. IntegrYS will provide the Village with reports, including reports to provide competent and reliable evidence to support its purchase and retirement of RECs retired in a tracking system (e.g., PJM GATS or M-RETS) or through the attestation process to demonstrate source, generation year, and title to the RECs. For those

Members, who elect to receive the enhanced REC product, the Fixed Rate shall be **\$0.05579 per kWh**.

Extension of Agreement: For the purposes of clarity, the Parties agree in this writing to extend the Term of the Agreement by way of this Confirmation through the end of the Delivery Period noted herein. Through the end of this Delivery Period shall be considered an "Extended Term", as described in the Agreement.

Village of Long Grove, IL

By:  _____

Name: *David Lottspen*

Title: *Village Manager*

Date: *5/1/2013*

Integrus Energy Services, Inc.

By: _____

Name:

Title:

Date:

This is not an offer. This Confirmation requires a signature from each Party to be effective.

Resolution Approving Integrys - Existing Customer Mailing



Village of Long Grove Electric Aggregation Program



May 14, 2013

Customer Name
Mailing Address1
Mailing Address2
City State Zipcode

Regarding service at:
Premise address
Premise address cont.

Dear **Rate Class**,

Thank you for participating in the Village of Long Grove's Electric Aggregation Program! The Village of Long Grove recently decided to renew its aggregation program with Integritys Energy Services, Inc. As a resident or small business owner of Long Grove, you are again eligible to participate in this program.

You will automatically remain in the program unless you opt out by May 27, 2013.

How You Benefit

The Village has negotiated a price of **5.509¢/kWh** that is lower than the current ComEd effective rate of **PTC¢/kWh***. While ComEd's rates change each June and October, Integritys' rate is fixed from your June 2013 meter read through your May 2014 meter read.

Since the Village's Electric Aggregation Program began in July 2012, over 2,000 Long Grove residents and small businesses have enrolled and collectively saved more than \$950,000 dollars as compared to what they would have paid ComEd.

Voluntary Renewable Energy Credits (REC) Option

If you choose to remain enrolled in the Long Grove Aggregation Program, Long Grove residents and businesses may also choose to opt-in to the Long Grove Voluntary REC Option. For an alternative price of **5.579¢/kWh**, you may elect to receive RECs in addition to Integritys' standard supply that will result in funding of wind or hydroelectric renewable energy resources.

Billing / Service Delivery Unchanged

Other than the price, nothing regarding your electricity service will change. You will continue to receive one monthly bill from ComEd. ComEd will continue to deliver your electricity, restore power following an outage, and be responsible for maintaining the system that delivers power to your home.

Three things you should know



- ✓ If you do nothing, you will be automatically renewed in Long Grove's Program without renewable energy. You must take the action of opting into the renewable energy option if so desired by contacting Integritys toll-free at 888-340-1983.
- ✓ ComEd will continue sending monthly bills, responding to outages, and delivering your electricity.
- ✓ No one from the Long Grove's program will ever come to your door or call you to ask you to switch to a new supplier. Anyone who comes to your door or calls you asking you to switch is not with Long Grove's program.

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*Calculated as ComEd's "Price to Compare" plus the Purchased Electricity Adjustment (PEA) Factor effective for June 2013; + 0.500 = PTC¢/kWh

Renewal Information

If you do nothing, you will be automatically renewed in Long Grove's Electric Aggregation Program without renewable energy. You must take the action of opting into the renewable energy option if so desired by contacting Integrys toll-free at 888-340-1983.

How to Opt-Out

If you do not wish to participate in the Village of Long Grove's Electric Aggregation Program, you must opt-out by May 27, 2013. To opt-out, return the enclosed postcard. You may also opt-out by contacting Integrys toll-free at 888-340-1983 or online at www.integrysenergy.com/il-longgrove.

If you have any questions, please review the enclosed Frequently Asked Questions or contact Integrys toll-free at 888-340-1983. Representatives are available 24 hours a day, 7 days a week.

Sincerely,

Village of Long Grove

Resolution Approving Integrys - New Customer Mailing



Village of Long Grove Electric Aggregation Program



May 14, 2013

Customer Name
Mailing Address1
Mailing Address2
City State Zipcode

Regarding service at:
Premise address
Premise address cont.

Dear **Rate Class**,

In March 2012, Long Grove voters approved a referendum authorizing the Village of Long Grove to seek lower electricity rates for eligible residential and small business customers. In April 2012, the Village of Long Grove selected Integritys Energy Services, Inc. to supply electricity to the Village's Electric Aggregation Program. As a resident or small business owner of Long Grove, you are eligible to participate in this program.

You will be automatically enrolled in the program unless you opt out by May 27, 2013.

How You Benefit

The Village has negotiated a price of **5.509¢/kWh** that is lower than the current ComEd effective rate of **PTC¢/kWh***. While ComEd's rates change each June and October, Integritys' rate is fixed from your June 2013 meter read through your May 2014 meter read. Please see the enclosed Terms and Conditions for full details.

Since the Village's Electric Aggregation Program began in July 2012, over 2,000 Long Grove residents and small businesses have enrolled and collectively saved more than \$950,000 dollars as compared to what they would have paid ComEd.

Voluntary Renewable Energy Credits (REC) Option

If you choose to remain enrolled in the Long Grove Aggregation Program, Long Grove residents and businesses may also choose to opt-in to the Long Grove Voluntary REC Option. For an alternative price of **5.579¢/kWh**, you may elect to receive RECs in addition to Integritys' standard supply that will result in funding of wind or hydroelectric renewable energy resources.

Billing / Service Delivery Unchanged

Other than the price and supplier, nothing regarding your electricity service will change. You will continue to receive one monthly bill from ComEd. ComEd will continue to deliver your electricity, restore power following an outage, and be responsible for maintaining the system that delivers power to your home.

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Three things you should know



- ✓ If you do nothing, you will be automatically enrolled in Long Grove's Program.
- ✓ ComEd will continue sending monthly bills, responding to outages, and delivering your electricity.
- ✓ No one from the Long Grove's program will ever come to your door or call you to ask you to switch to a new supplier. Anyone who comes to your door or calls you asking you to switch is not with Long Grove's program.

*Calculated as ComEd's "Price to Compare" plus the Purchased Electricity Adjustment (PEA) Factor effective for June 2013; + 0.500 = PTC¢/kWh

Enrollment Information

After your enrollment is finalized, Integrys will send you a letter confirming your enrollment and welcoming you to the Village of Long Grove's Electric Aggregation Program. As required by law, this letter will inform you of your ability to rescind your enrollment without penalty.

How to Opt-Out

If you do not wish to participate in the Village of Long Grove's Electric Aggregation Program, you must opt-out by May 27, 2013. To opt-out, return the enclosed postcard. You may also opt-out by contacting Integrys toll-free at 888-340-1983 or online at www.integrysenergy.com/il-longgrove.

If you have any questions, please review the enclosed Frequently Asked Questions or contact Integrys toll-free at 888-340-1983. Representatives are available 24 hours a day, 7 days a week.

Sincerely,

Village of Long Grove

Resolution Approving Integrys - Terms & Conditions



Village of Long Grove Electric Aggregation Program



ELECTRICITY PURCHASE AND SALE TERMS AND CONDITIONS

The Village of Long Grove, pursuant to the aggregation authority conferred upon it by the Illinois Power Agency Act, 20 ILCS 3855/1-1 et seq., and approval by the Village's Corporate Authorities ("Aggregation Ordinance") establishing the Village's Municipal Electric Aggregation Program ("Aggregation Program"), selected Integritys Energy Services, Inc. ("Vendor") to supply electricity and to administer enrollments as described below pursuant to that certain Agreement between the Village and Vendor dated April 27, 2012 ("Aggregation Program"). You, the account holder (also referred to as "Buyer") for each eligible account associated with the service address referenced on the letter accompanying these Electricity Purchase and Sale Terms and Conditions (the "Account"), and Vendor agree to the following terms and conditions. Vendor and Buyer (individually referred to as "Party" and collectively as "Parties") agree to the following Electricity Purchase and Sale Terms and Conditions ("Agreement"), as of May 28, 2013 for Opt-Out Enrollments or the date of Buyer's enrollment with Vendor for Opt-In Enrollments (the "Effective Date").

1. **Eligibility.** To be eligible to participate in the Aggregation Program, the Account(s) to be served (i) must be located within the Village's jurisdictional boundaries, (ii) must be served by ComEd (the "Utility"), (iii) must be in good credit standing with the Utility, and (iv) may not have franchised service with a municipal account.

a. **Residential Customer Class.** To be eligible for the Residential Rate, the Account(s) to be served must be designated by the Utility as belonging to one of the following delivery classes: (i) Residential Single Family Without Electric Space Heat Delivery Class, (ii) Residential Multi Family Without Electric Space Heat Delivery Class. Notwithstanding the foregoing, if the Account(s) to be served are (i) on a residential space heat rate, (ii) on an hourly billing rate, or (iii) under contract with another retail electric supplier, the Account(s) are not eligible for Opt-Out Enrollment as defined in Section 2a below but are eligible for Opt-In Enrollment as defined in Section 2b below.

b. **Commercial Customer Class.** To be eligible for the Commercial Rate, the Account(s) to be served must utilize less than 15,000 kWh annually and be designated by the Utility as belonging to one of the following delivery classes: (i) Watt-Hour Delivery Class or (ii) Small Load Delivery Class. Notwithstanding the foregoing, if the Account(s) to be served are (i) on an hourly billing rate or (ii) under contract with another retail electric supplier, the Account(s) are not eligible for Opt-Out Enrollment as defined in Section 2a below but are eligible for Opt-In Enrollment as defined in Section 2b below.

2. Enrollment.

a. **Opt-Out Enrollment** (Automatic Enrollments due to non-action by May 27, 2013). Enrollment is automatic if (i) the Account(s) to be served is/are eligible and (ii) Buyer does not opt-out of the Power Supply. IF YOU DO NOT WISH TO PARTICIPATE IN THE AGGREGATION PROGRAM, YOU MUST OPT-OUT BY MAY 27, 2013. YOU CAN OPT-OUT BY (I) RETURNING THE POSTCARD, (II) CALLING VENDOR TOLL-FREE AT 888-340-1983, OR (III) CONTACTING VENDOR ONLINE AT WWW.INTEGRITYSENERGY.COM/IL-LONGGROVE.

b. **Opt-In Enrollment** (Affirmative Enrollments). Enrollment for the remainder of the current Program Delivery Period is open to those who opt-out or are otherwise not automatically enrolled if (i) the Account(s) to be served is/are eligible and (ii) Buyer chooses to opt-in to the Power Supply. You can Opt-In by (i) calling Vendor toll-free at 888-340-1983 or (ii) contacting Vendor online at www.integritysenergy.com/il-Long Grove.

3. **Term.** This Agreement shall become binding on the Effective Date and shall expire as of the last meter reading date on or before May 31, 2014 ("Term"), unless (i) this Agreement is terminated pursuant to its terms or (ii) the Aggregation Program is terminated by the Village pursuant to its terms and Buyer elects to terminate this Agreement. Notwithstanding the Effective Date, the obligation of Vendor to sell and schedule electricity for delivery to Buyer and the obligation of Buyer to purchase, take and pay for electricity shall commence on the last meter reading date on or before June 30, 2013 through the last meter reading date on or before May 31, 2014 (for Opt-Out Enrollments) or the first available meter read following Opt-In for Opt-In Enrollments, and shall be contingent upon: (a) successful enrollment by the Utility identified and (b) if applicable, the passage of the Rescission Period (defined in Section 4) without effective cancellation by Buyer. Successful enrollment by the Utility is dependent upon (i) the eligibility of Buyer's Utility account(s), as determined by the Utility, to take from a retail electric supplier and to participate in the Utility's purchase of receivables Aggregation Program (including service class and past payment history), and (ii) the accuracy and completeness of any information submitted by Buyer.

4. **Rescission Period.** If Buyer is a Residential or Small Commercial Customer and is not currently a customer of Vendor: Buyer may rescind the Agreement by contacting Vendor before Vendor submits the enrollment request to the Utility. Buyer may also rescind the Agreement and the pending enrollment within 10 days after the Utility processes the enrollment request by contacting (a) Vendor or the Utility, if Buyer is a Residential Customer or (b) Vendor, if Buyer is a Small Commercial Customer. If Buyer is a Medium Commercial Customer, Buyer shall not have a right to rescind. "Residential Customer" means a customer who receives electric service for household purposes distributed to a dwelling of 2 or fewer units which is billed under a residential rate or electricity service for household purposes distributed to a dwelling unit or units which is billed under a residential rate and is registered by a separate meter for each dwelling unit. "Small Commercial Customer" means a non-residential customer consuming an annual aggregate of 15,000 kWh or less in the Utility's service area. "Medium Commercial Customer" means any non-residential customer other than a Small Commercial Customer.

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5. Price

a. **Fixed Rate.** During the Term, Buyer shall pay the Fixed Rate multiplied by the billing cycle usage the Account(s) served. The rate for Residential Customer Class and Commercial Customer Class shall be a Fixed Rate of 5.509 cents per kWh.

b. **Switching Fees.** Vendor does not charge Buyer a separate fee to switch to Vendor's service. If ComEd charges a fee for enrolling the Account(s) to Vendor's service, Vendor will reimburse Buyer for any such fees within thirty (30) days. If Buyer is currently receiving electricity pursuant to an agreement with another retail electric supplier, that supplier may charge Buyer for switching electricity providers. Vendor will not reimburse Buyer for any such fees.

c. **Price Match.** If the Utility's Price to Compare for the Account(s)' rate class are set below the Fixed Rate during the Term of this Agreement, Vendor may either (a) lower the Fixed Rate identified above to match that of the Utility's applicable Price to Compare or (b) terminate this Agreement without damages or early termination fees to either Party. "Utility's Price to Compare" shall mean ComEd's "Price to Compare" for the applicable rate class, as posted on the ICC website (www.pluginillinois.org), which includes ComEd's electricity supply charge plus ComEd's transmission services charge, but shall not include ComEd's purchased electricity adjustment. Notwithstanding the foregoing, termination (in the circumstance described in this paragraph) may be avoided if the Village determines that the Aggregation Program should remain in place at the Fixed Rate agreed to without the need to match.

d. **Tariff Changes.** Both Parties recognize that components of the Fixed Rate include electric tariff charges that are authorized by the Illinois Commerce Commission, Independent System Operator, other state or governmental agencies having jurisdiction, and/or the Federal Energy Regulatory Commission. Any increase in these charges subsequent to the Effective Date of this Agreement may be directly passed through to Aggregation Program participants by a corresponding increase in the Fixed Rate.

6. **Renewal.** Between 30 and 60 days prior to the end of the Term or a Extended Term (whichever is in effect, hereinafter the "Current Term"), Vendor may send Buyer an offer for a Renewal Term. This offer will include, without limitation, the new Price, any applicable early termination fees, and the Renewal Term ("Offer"). In the event Vendor does not receive Buyer's rejection of the Offer within 15 days, the Offer will be deemed accepted by Buyer without the need for further signature or other affirmative action by Buyer. If Buyer rejects the Offer in the manner directed in the Offer, Buyer's Accounts will be returned to Utility service at the end of the Current Term. If Vendor does not submit an Offer to Buyer and instead indicates that the Agreement will be extended on a month to month basis at prevailing market rates, then the Agreement will be extended as set forth in the notice or terminated as directed by Buyer.

7. **Billing and Payment.** Buyer will be invoiced for Vendor's charges and the Utility's delivery charges on monthly invoice(s) Buyer receives from the Utility, and such billing and payment shall be subject to the applicable Utility rules regarding billing and payment procedures. Vendor's charges or credits not invoiced through the Utility shall be invoiced or credited, respectively, directly by Vendor. Vendor may cause the Utility to correct previous invoices in the event of invoicing errors.

8. **Taxes.** Any tax levied against Vendor by any governmental entity, exclusive of Vendor's income tax or taxes levied on Vendor's real or personal property that must be paid by Vendor shall be passed through to and borne and reimbursed by Buyer. Buyer must provide Vendor with any applicable exemption certificates. Buyer shall pay any such taxes unless Vendor is required by law to collect and remit such taxes, in which case Buyer shall reimburse Vendor for all amounts so paid.

9. **Termination; Remedies.** If either Party defaults on its obligations under this Agreement (which may include Buyer's switching to another retail electric supplier or the Utility or Buyer's failure to pay the Utility), the other Party may terminate this Agreement, as applicable. Vendor reserves the right to charge Buyer an early termination fee for Buyer's termination after the Rescission Period of Section 4 that has not resulted from Vendor's default, provided however, if Buyer is a Residential Customer or Small Commercial Customer then Buyer may terminate this Agreement without any such early termination fee up to 10 business days after the date of the first invoice issued to Buyer for service hereunder. Vendor may invoice Buyer directly for any early termination fees and payment of any early termination fees shall be due within thirty (30) days of the invoice date. Buyer agrees damages would be difficult to quantify upon a default and agree that this is not a penalty. The early termination fee shall total \$25.00 per Account, provided however, Vendor will waive such early termination fee if Buyer moves (either within or outside of the Village boundaries), and provides notice to Vendor that Buyer is moving prior to termination. Notwithstanding the foregoing, in the event the Village terminates the Aggregation Program prior to the end of the Term of this Agreement, Vendor shall (i) provide written notice to Buyer that a default has occurred and the alternatives Buyer has for electric supply (including terminating service with Vendor), and (ii) shall take such all actions as necessary to return Buyer to ComEd or another supplier on the second meter read following termination if Buyer elects such alternative. In addition, Vendor will waive the early termination fee. VENDOR SHALL NOT BE LIABLE FOR ANY DAMAGES OR PENALTIES RESULTING FROM THE RETURN OF BUYER'S ACCOUNT(S) TO THE UTILITY'S TARIFFED SERVICE OR TO ANOTHER RETAIL SUPPLIER, INCLUDING CLAIMS RELATING TO THE PRICE RECEIVED FROM COM ED OR THE ALTERNATE SUPPLIER BEING HIGHER THAN THE FIXED RATE HEREIN.

10. **Limitations.** ALL ELECTRICITY SOLD HEREUNDER IS PROVIDED "AS IS" AND VENDOR EXPRESSLY DISCLAIMS ALL OTHER WARRANTIES, WHETHER EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSE. IN NO EVENT WILL EITHER PARTY BE LIABLE UNDER THIS AGREEMENT, WHETHER IN AGREEMENT, IN TORT (INCLUDING NEGLIGENCE AND STRICT LIABILITY), OR OTHERWISE, FOR INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL, OR PUNITIVE DAMAGES.

11. **Force Majeure.** Except for Buyer's obligation to pay Vendor timely, neither Party shall be liable to the other for failure to perform an obligation if the non-performing Party was prevented from performing due to an event beyond their reasonable control, that could

not be remedied by the exercise of due diligence and that was not reasonably foreseeable, including without limitation, acts of God, a condition resulting from the curtailment of electricity supply or interruption or curtailment of transmission on the electric transmission and/or distribution system, interruption of Utility service, terrorist acts or wars, and force majeure events of the Utility or independent system operator.

12. Questions, Complaints, and Concerns. Buyer may contact Vendor by calling 888-340-1983, at Vendor's website at www.integrysenergy.com, or by writing to 20 N. Wacker Drive, Suite 2100, Chicago, IL 60606, Attn: Customer Service. For issues concerning this Agreement, Vendor will attempt to resolve the matter within five (5) business days after receiving the call or letter. If Buyer is not satisfied with the response, or to obtain consumer education materials, Buyer can contact the Illinois Commerce Commission's Consumer Services Division at 1-800-524-0795 or 1-800-858-9277 for TTY hearing-impaired customers or visit the Illinois Commerce Commission's website at www.icc.illinois.gov. Buyer may also contact the Illinois Attorney General's Office at 1-800-386-5438 (Northern Illinois), 1-800-243-0618 (Central Illinois), or 1-800-243-0607 (Southern Illinois).

13. Miscellaneous. This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois, without regard for the conflicts of law provisions thereof. Title, possession, control of the electricity, and risk of loss will pass from Vendor to Buyer at the Point of Delivery, which shall be at the Utility. Buyer appoints Vendor as its agent for the purposes of effectuating delivery, including for receipt of billing and usage data from the Utility. Buyer may assign this Agreement only with Vendor's prior written consent. This Agreement (including without limitation the Account identification) shall be considered a Letter of Agency and constitutes the entire agreement between the Parties, superseding all verbal and written understandings. There are no third party beneficiaries to this Agreement and none are intended. This Agreement shall only be amended in writing signed by both Parties or with Notice from Vendor to Buyer as described under Section 4 above. Buyer should contact the Utility in the event of an electric emergency at 1-800-Edison-1 (residential) or 1-877-4-ComEd-1 (commercial). Future correspondence may be sent by Vendor to Buyer via first class mail and/or electronic mail.

UNIFORM DISCLOSURE STATEMENT

Seller: Integrys Energy Services, Inc.
Utility: ComEd

Seller's Contact Information: Physical Address: 20 N. Wacker Drive, Suite 2100, Chicago, IL 60606. Toll free telephone: 888-340-1983. Website: www.integrysenergy.com/il-longgrove.

Illinois Commerce Commission's Consumer Services Division Contact Information: Telephone: 1-800-524-0795 or 1-800-858-9277 for TTY hearing-impaired customers. Website: www.icc.illinois.gov.

Utility's Contact Information: Telephone: 1-800-334-7661

Seller's Charges for Electricity Supply: Rate of 5.509 cents per kWh for service to the Accounts, multiplied by the metered usage. Rate does not include Utility delivery charges or any applicable taxes.

Term of Agreement: Service will commence on the first available meter read date after successful enrollment and shall remain in effect for through the May 2014 meter reads ("Initial Term"), unless terminated pursuant to the terms of the Agreement. Between 30 and 60 days prior to the end of the Initial Term or a Renewal Term (whichever is in effect, hereinafter the "Current Term"), Seller may send Buyer an offer for a Renewal Term. This offer will include, without limitation, the new Price, any applicable early termination fees, and the Renewal Term ("Offer"). In the event Seller does not receive Buyer's rejection of the Offer within 15 days, the Offer will be deemed accepted by Buyer without the need for further signature or other affirmative action by Buyer. If Buyer rejects the Offer in the manner directed in the Offer, Buyer's Accounts will be returned to Utility service at the end of the Current Term. If Seller does not submit an Offer to Buyer and instead indicates that the Agreement will be extended on a month to month basis at prevailing market rates, then the Agreement will be extended as set forth in the notice or terminated as directed by Buyer.

Early Termination Fee: The early termination fees shall be \$25 per Account.

Deposit Required: None

Switching Fees Charged by Seller to Switch to Seller's Service: None

Right to Rescind: If Buyer is a Residential Customer, Buyer may rescind the Electricity Purchase and Sale Terms and Conditions ("Agreement") by contacting Seller before Seller submits the enrollment request to the Utility. If Buyer is a Residential Customer, Buyer may also rescind the Agreement and the pending enrollment within 10 days after the Utility processes the enrollment request by contacting Seller or the Utility. If Buyer is a Small Commercial Customer, Buyer may rescind the Agreement by contacting Seller before Seller submits the enrollment request to the Utility. Buyer may rescind the Agreement and the pending enrollment within 10 days after the Utility process the enrollment request by contacting Seller. "Residential Customer" means a customer who receives electric service for household purposes distributed to a dwelling of 2 or fewer units which is billed under a residential rate or electricity service for household purposes distributed to a dwelling unit or units which is billed under a residential rate and is registered by a separate meter for each dwelling unit. "Small Commercial Customer" means a non-residential customer consuming an annual aggregate of 15,000 kWh or less in the Utility's service area.

Savings: Savings are NOT guaranteed.

General Disclosures: Seller is an independent seller of power and energy service, certified by the Illinois Commerce Commission. Seller does NOT represent or act on behalf of the Utility, governmental bodies or consumer groups. The Utility remains responsible for the delivery of power and energy to Buyer's premises and will continue to respond to any service calls and emergencies. Switching to Seller will not impact Buyer's electric service reliability. Buyer will receive written notification from the Utility confirming a switch of Buyer's power and energy supplier.

Along with your Agreement, please retain this Uniform Disclosure Statement for your records, as required by 83 Ill. Adm. Code 412.
Please see the Agreement for full details of the transaction.