

Item #3:
Resolution Ratifying One (1) Month Extension - Integrys

**VILLAGE OF LONG GROVE
RESOLUTION NO. 2014-R-__**

**A RESOLUTION RATIFYING AND APPROVING A 30-DAY EXTENSION WITH INTEGRYS
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 reached an agreement with Integrys

Energy Services to supply electricity between June 2013 and May 2014 for approximately 8% less than Commonwealth Edison (the "*Integrys 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 Integrys Proposal on behalf of the Village; and

WHEREAS, the President and Board of Trustees of the Village approved Resolution 2013-R-12 on May 14, 2013 ratifying the actions of the Village Manager and confirmed the approval of the Integrys Proposal for the period of June 2013 through May 2014,

WHEREAS, in an effort to continue to provide the lowest electrical rate available and minimize potential confusion with the aggregation program, Integrys submitted a proposal to extend their existing contract for a period of 30-days,

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 Integrys Proposal for a 30-day extension until June 2014 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 Integrys Proposal for the period of 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 Integrys Proposal set forth in **Exhibit A** attached to this Resolution.

SECTION THREE: Execution. The Village Manager and the Village Clerk shall be, and are hereby, further authorized and directed to execute and attest, on behalf of the Village, any and all additional agreements and all necessary documentation related thereto to implement the Integrys 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 25TH DAY OF MARCH, 2014.

AYES: () Trustees:

NAYS: () None

ABSENT: () None

APPROVED THIS 25TH DAY OF MARCH, 2014.

Angela Underwood, Village President

ATTEST:

Heidi Locker-Scheer, Village Clerk

EXHIBIT A
Integrus Proposal

AMENDMENT TO THE AGGREGATION PROGRAM AGREEMENT

This Amendment to the Aggregation Program Agreement ("Amendment") dated as of March 17, 2014 is hereby made by and between **Integrus Energy Services, Inc.** ("Integrus" or "Vendor") and **Village of Long Grove, IL** ("Village"). The Village and Integrus are sometimes hereinafter referred to individually as "Party" and collectively as "Parties". Any capitalized terms not defined herein shall have the meaning set forth in the Agreement.

WHEREAS, the Village and Integrus agreed to terms associated with the Village's Aggregation program ("Aggregation Program") in the Aggregation Program Agreement dated April 26, 2012 ("Agreement"); and

WHEREAS, the Parties desire to renew for a single month in order to facilitate the transition to the Village's new aggregation supplier commencing the Participating Customers' June 2014 meter reads; and

NOW, THEREFORE, effective as of the date of this Amendment, in consideration of the promises and mutual covenants set forth below, the Parties agree to amend the Agreement as follows:

1. Pursuant to Article 1.1 of the Agreement, the Parties agree to extend the Participating Customers for a single month from the Participating Customers May 2014 to June 2014 meter reads at the market-based rate identified on the Confirmation.
2. In Article 2.1.10, the term "Price Quote" is hereby replaced with the term "Confirmation".
3. For the purposes of the May 2014 meter read through June 2014 meter read term, the Confirmation (Exhibit C) attached hereto as Attachment 1 shall apply.
4. The Parties acknowledge that the single month extension shall be communicated by notice to Participating Customers, rather than through a formal Opt-Out Process.
5. Any inconsistency in the relevant documents shall be resolved by giving precedence in the following order: (a) Attachments to this Amendment, (b) this Amendment, (c) the Agreement, and (d) the Plan of Operation and Governance.
6. Each Party acknowledges and agrees that (a) it has the corporate, governmental and/or other legal capacity, authority and power to execute, deliver and enter into this Amendment and any other related documents, and perform its obligations under this Amendment and (b) it taken all necessary actions and made all necessary determinations and findings to authorize such execution, delivery and performance.
7. This Amendment may be executed and delivered in counterparts (including facsimile transmission or attachment to electronic mail transmission), each of which will be deemed an original and all of which together will constitute one and the same instrument. By way of clarification however, this Amendment will not be effective unless both Parties have executed a counterpart.
8. By signing below, each individual additionally warrants that he or she is authorized to sign this Amendment on behalf of the Party for which it was executed.
9. As amended herein, the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, this Amendment has been duly executed as of the dates set forth below.

Integrus Energy Services, Inc.	Long Grove, IL
By: 	By: 
Name: <u>Ronnie E. Cardwell</u>	Name: <u>David Lohman</u>
Title: <u>Vice President</u>	Title: <u>Village Manager</u>
Date: <u>3/17/14</u>	Date: <u>3/17/14</u>

ATTACHMENT 1 – Exhibit C

CONFIRMATION

This Confirmation dated March 17, 2014, once fully executed, is an agreement entered into pursuant to the terms of the Aggregation Program Agreement between Integrys Energy Services, Inc. ("Integrys" or "Vendor") and the Village of Long Grove, IL (the "Village"), and forms a part thereof.

Vendor and Village agree that the Aggregation Participants shall receive the Price set forth below for the Delivery Period set forth below:

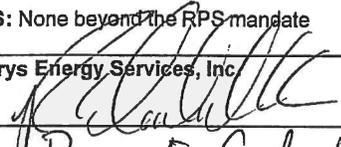
Delivery Period: May 2014 meter reads through June 2014 meter reads

Fixed Rate: 5.78 cents 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 Participating Customers by a corresponding increase in the Fixed Rate.

Price Match: There shall be no price match requirement.

RECS: None beyond the RPS mandate

Integrys Energy Services, Inc.

By: 
 Name: Denise E. Cardwell II
 Title: Vice President
 Date: 3/17/14

Village of Long Grove, IL

By: 
 Name: David Lopez
 Title: Village Manager
 Date: 3/17/14

AMENDMENT TO THE AGGREGATION PROGRAM AGREEMENT

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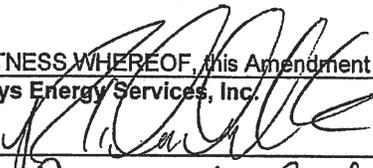
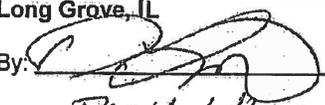
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9. As amended herein, the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, this Amendment has been duly executed as of the dates set forth below.

Integrus Energy Services, Inc.	Long Grove, IL
By: 	By: 
Name: <u>Ronnie E. Cordwell</u>	Name: <u>David Lotz</u>
Title: <u>Vice President</u>	Title: <u>Village Manager</u>
Date: <u>3/17/14</u>	Date: <u>3/17/14</u>

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Price Match: There shall be no price match requirement.

RECS: None beyond the RPS mandate

Integrys Energy Services, Inc.

By: [Signature]
Name: Donnie E. Cardwell II
Title: Vice President
Date: 3/17/14

Village of Long Grove, IL

By: [Signature]
Name: David Lopez
Title: Village Manager
Date: 3/17/14