

**Item #4:**  
**Village President Rodriguez:**  
**C. Residential Electricity Aggregation Referendum**

# COMMUNITY CHOICE AGGREGATION (CCA)

Meeting of Area Municipalities

Wednesday, September 14, 2011

2:00 pm



**Introduction**

The State of Illinois passed a law that allows community choice aggregation. Local governments that choose to develop aggregation programs can customize electricity supply to meet their community's financial and environmental goals. For example, they can choose to use their community's purchasing power to buy green energy and encourage local generation. Working together with six other municipalities, we can leverage greater benefits – community education as well as financial gain due to a service population of more than 260,000 customers.

The legislation will allow local governments to work with residents and small businesses to reshape the way electricity is generated and used, creating new green jobs and the following benefits:

- Pursue lower cost electricity as referenced on the attached comparison of electricity rate results.
- Purchase cleaner generation resources, reducing carbon emissions by up to 40%
- Reduce peak demand to reshape load profile, thereby reducing power costs by up to 1 cent per kWh
- Generate revenue by participating in demand response, capacity, and day-ahead markets
- Create local jobs through investment in local clean generation
- Pursue energy efficiency programs

**PACKET CONTENTS:**

Questions & Answers	Page 3
Referendum & Timeline	Page 4
Sample Resolution	Page 5
Public Information Plan	Page 6
Comparison of electricity rate results	Page 7

**Possible Community Partnership**

An intergovernmental agreement would be drafted and presented to each corporate authority for consideration. The agreement would set forth that the participating communities would work together to leverage the higher volume and negotiate more aggressive pricing from contractors.

NAME	2010 Census	
	Population	Housing units
Arlington Heights	75,101	32,795
Buffalo Grove	41,496	17,034
Lincolnshire	7,275	3,396
Long Grove	8,043	2,593
Palatine	68,557	28,621
Vernon Hills	25,113	9,956
Wheeling	37,648	15,397
<b>TOTAL</b>	<b>263,233</b>	<b>109,792</b>

*Source: CMAP with Census 2000 SF-1 and Census 2010 PL94-171 totals*

**Resource: John Kelly, Deputy Director of Galvin Power**

Galvin Power is a not-for-profit organization which has worked with a number of communities in the nation on the community choice aggregation initiative – aggregating electricity for residents and small businesses. Further information about the company can be found at the following web site ~ <http://www.galvinpower.org/>.

## QUESTIONS & ANSWERS

---

### How is this possible?

On August 10, 2009, Public Act 96-0176 amended the Illinois Power Agency Act by providing for the aggregation of electrical load by municipalities and counties. This law authorizes municipalities to develop aggregation programs for the procurement of electricity supply to residential and small business customers. Local governments can now work with community members to purchase lower cost electricity, green or renewable energy, encourage local generation (solar or wind, etc.), and other community initiatives. Municipalities are able to include all residents and small businesses in a Request for Proposal to retail energy suppliers.

### Which communities have passed referendums?

- Fulton (the first community in Illinois)
- Campton Hills
- Crest Hill
- Elburn
- Erie
- Fox River Grove
- Glenwood
- Grayslake
- Harvard
- Lincolnwood
- Milledgeville
- Morris
- Mt. Morris
- New Lenox
- North Aurora
- Oak Park
- Oakbrook
- Polo
- Sugar Grove
- Wood Dale

### Will residents notice a difference in service?

- No, the only difference is the energy received from the selected supplier and lower, more stable prices. ComEd would continue to deliver energy to homes and businesses. Residents and businesses would also continue to receive a ComEd bill. If residents have an outage or need service, they would continue to contact ComEd.

### Where does the electricity come from?

- Using forecasting and hedging methods, the selected supplier procures much of the energy supplied on the open market to find the best price for your aggregation group. Mr. Kelly recommends that we include in the RFP a requirement that contractors identify which plants they are getting their power from. This information would be valuable for research purposes and to ensure that there is quality backing from the supplier and less likelihood of a business failing to meet the supply needs of customers.

### What if residents / small businesses don't want to participate?

- The municipality would have a choice in designating an "opt-out" or "opt-in" program. Residents and small businesses may "opt-out" if the referendum is passed. Before the aggregation program begins, all residents would receive an opt-out notice in the mail and given a date by which they must return the opt-out notice or call a number to request to be opted-out of the program. Residents using a third party supplier or residents moving to Buffalo Grove from outside the community would not be automatically included; they would have to "opt-in".

### How does electrical aggregation benefit a resident?

- Electric aggregation combines the retail electric loads of customers in a community. By combining the loads of its residents, the community can leverage the buying power of thousands of residents and small businesses. This combined buying power typically provides lower, more stable rates and improved service from suppliers.

## REFERENDUM & TIMELINE

---

1. The Illinois Election Code requires that a Resolution approving a Referendum to be adopted at least 79 days prior to an election.
2. If the Referendum is approved, the community partnership would work together and issue one RFP that each municipal board or council would approve for each of our community residential and small commercial customers.
3. Two public hearings would be held prior to the acceptance of any bids. Municipalities could partner together to conduct the hearings so they are at locations which are convenient for the general public. The list of all public hearings would be promoted by all municipalities.
4. Bid rates would be compared to ComEd's current rates. The communities would only move forward with entering to a contract for electricity supply with an alternative supplier if the rates are lower than those being offered by ComEd.
5. A one year contract at a fixed rate would be executed.
6. Annually, new competitive bids would be sought by the community partnership.
7. If the rate is higher then the current electrical rate, then each village would reject all bids received and electricity would continue to be supplied by ComEd. The partnership could consider a benchmark of 7% that must be saved in order to move forward with entering to a contract with an alternate supplier. The 7% was utilized by the Northern Illinois Municipal Electric Cooperative, a 140 public entity electric purchasing cooperative.

**SAMPLE RESOLUTION**

---

**A RESOLUTION INITIATING THE SUBMISSION OF A PUBLIC QUESTION  
TO AUTHORIZE THE VILLAGE TO ADOPT AN "OPT-OUT" PROGRAM  
FOR THE SUPPLY OF ELECTRICITY TO  
RESIDENTIAL AND SMALL COMMERCIAL RETAIL CUSTOMERS**

**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 ("Program"); and

**WHEREAS**, pursuant to the requirements of Illinois law, the President and Board of Trustees of the Village of \_\_\_\_\_ hereby desire to place on the \_\_\_\_\_, 2011 ballot a public question to be considered by the voters in the Village regarding the authorization of the Village to pursue the implementation of the Program;

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE VILLAGE OF \_\_\_\_\_, \_\_\_\_\_ COUNTY, ILLINOIS, as follows:**

**SECTION ONE. RECITALS.** The foregoing recitals are incorporated as set forth in this Resolution.

**SECTION TWO. PUBLIC QUESTION ON PROGRAM FOR AGGREGATION OF ELECTRICITY.** A public question shall be submitted to the voters of the Village of \_\_\_\_\_, County of \_\_\_\_\_, State of Illinois, at the \_\_\_\_\_, 2011 general election (or at the next available election permitted by the general election law), as follows:

Shall the Village of _____ have the authority to arrange for the supply of electricity for its residential and small commercial retail customers who have not opted out of such program?	YES _____	NO _____
--	--------------	-------------

**SECTION THREE. FILING.** The Village Clerk is hereby authorized and directed to file this authorizing Resolution and other related matters with the appropriate election officials in accordance with applicable law.

**SECTION FOUR. EFFECTIVE DATE.** This Resolution shall become effective following its passage and approval in the manner provided by law.

PASSED this \_\_\_th day of \_\_\_\_\_, 2011.  
AYES:  
NAYS:  
ABSENT:  
APPROVED this \_\_\_th day of \_\_\_\_\_, 2011.

\_\_\_\_\_  
Village President

ATTEST:  
  
\_\_\_\_\_  
Village Clerk

## **PUBLIC INFORMATION PLAN**

---

Following Board approval to advance this initiative, each municipality would begin public education which would include, but not be limited to the following:

1. Village newsletter articles
2. Village web site
3. Informational press releases
4. Electronic newsletters
5. Government Access Channel information
6. Chamber of Commerce newsletter
7. Chamber of Commerce meeting presentation by staff representatives
8. Public hearings
9. Local area marquees
10. Community organization presentations (Rotary, Lions Club, etc.)

## COMPARISON OF ELECTRICITY RATE RESULTS

The following information provides a comparison of residential and small business pricing versus ComEd and Alternate Retail Electric Suppliers (ARES).

Description of residential pricing	Rate \$ / kWh	% Savings
ComEd Summer Rate	\$0.0792	
Average ARES 12 month offer - 8 samples	\$0.0686	13.4%
Average ARES 24 month offer - 10 samples	\$0.0673	15.0%
Average Aggregation 24 month offer - 8 samples	\$0.0590	25.5%

Description of residential pricing	Rate \$ / kWh	% Savings
ComEd Non-Summer Rate	\$0.0775	
Average ARES 12 month offer - 8 samples	\$0.0686	11.5%
Average ARES 24 month offer - 10 samples	\$0.0673	13.2%
Average Aggregation 24 month offer - 8 samples	\$0.0590	23.9%

Description of small business pricing	Rate \$ / kWh	% Savings
ComEd Summer Rate	\$0.0797	
Average ARES offer	offer varies	
Average Aggregation 24 month offer - 8 samples	\$0.0591	25.8%

Description of small business pricing	Rate \$ / kWh	% Savings
ComEd Non-Summer Rate	\$0.0782	
Average ARES offer	offer varies	
Average Aggregation 24 month offer - 8 samples	\$0.0591	24.3%

Source: Blue Star Energy Solutions

- 
1. RESOLUTION AUTHORIZING A REFERENDUM
  2. PUBLIC EDUCATION PROCESS / PUBLIC HEARINGS (2)
  3. INTERGOVERNMENT AGREEMENT TO BE CONSIDERED BY EACH PARTICIPATING COMMUNITY CORPORATE AUTHORITY.
- 

9-16-2011

**INTERGOVERNMENTAL AGREEMENT**

**BY, BETWEEN AND AMONG THE VILLAGE OF ARLINGTON HEIGHTS, VILLAGE OF BUFFALO GROVE, VILLAGE OF LINCOLNSHIRE, VILLAGE OF LONG GROVE, VILLAGE OF PALATINE, VILLAGE OF VERNON HILLS AND VILLAGE OF WHEELING CONCERNING ELECTRIC AGGREGATION**

THIS INTERGOVERNMENTAL AGREEMENT ("*Agreement*") is made and entered into as of the \_\_\_th day of \_\_\_\_\_, 2011, by, between, and among the **VILLAGE OF ARLINGTON HEIGHTS**, an Illinois municipal corporation ("*Arlington Heights*"), **THE VILLAGE OF BUFFALO GROVE**, an Illinois home rule municipal corporation ("*Buffalo Grove*"), **THE VILLAGE OF LINCOLNSHIRE**, an Illinois municipal corporation ("*Lincolnshire*"), **THE VILLAGE OF LONG GROVE**, an Illinois municipal corporation ("*Long Grove*"), the **VILLAGE OF PALATINE**, an Illinois municipal corporation ("*Palatine*"), the **VILLAGE OF VERNON HILLS**, an Illinois municipal corporation ("*Vernon Hills*"), and the **VILLAGE OF WHEELING** an Illinois municipal corporation, ("*Wheeling*"), (collectively, the "*Parties*").

**WITNESSETH:**

**WHEREAS**, Section 1-92 of the Illinois Power Agency Act, 20 ILCS 3855/1-92 ("*Act*"), 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 and equipment for those electrical loads ("*Electric Aggregation Program*"); and

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

**WHEREAS**, the Act authorizes municipalities to jointly operate an Electric Aggregation Program and does not prohibit municipalities from entering into an intergovernmental agreement to aggregate electric loads for those programs; and

**WHEREAS**, in March 2012, Arlington Heights, Buffalo Grove, Lincolnshire, Long Grove, Palatine, Vernon Hills and Wheeling were authorized by referendum to establish "opt-out" Electric Aggregation Programs pursuant to the Act; and

**WHEREAS**, although each Party will operate a separate Electric Aggregation Program for its residents, the Parties have individually and collectively determined that combining the bidding and contracting process to obtain the supply of electric power for their Electric Aggregation Programs could provide potential savings through a joint project bid ("*Joint Power Supply Bid*"); and

**WHEREAS**, the Parties desire to establish an Intergovernmental Agreement by, between, and among Arlington Heights, Buffalo Grove, Lincolnshire, Long Grove, Palatine, Vernon Hills and Wheeling to facilitate joint action and intergovernmental cooperation for the Joint Power Supply Bid; and

**WHEREAS**, to achieve these and other related objectives, the Parties desire to continue to utilize the powers and authority granted to them, individually and collectively, pursuant to Article VII, Section 10 of the Illinois Constitution of 1970; the Intergovernmental Cooperation Act, 5 ILCS 220/1 *et seq.*, and Section 1-92 of the Act, 20 ILCS 3855/1-92; and

**WHEREAS**, after full consideration of all planning, fiscal, and other intergovernmental issues affecting this matter, each of the Parties has determined that it is in the best interests of its citizens and of the general public welfare that this Agreement be executed and implemented by the Parties; and

**WHEREAS**, prior to their consideration of this Agreement, the Parties each considered and approved a joint representation agreement with Raysa & Zimmermann LLC for the provision of legal services relating to the Joint Power Supply Bid and this Agreement; and

**WHEREAS**, the Parties have each approved this Agreement by an ordinance or resolution duly adopted by the Party's corporate authorities; and

**NOW, THEREFORE**, for and in consideration of the mutual covenants and agreements herein made and other good and valuable consideration, the receipt and sufficiency of which are hereby mutually acknowledged, and pursuant to all applicable statutes and local ordinances, specifically including, but without limitation, Article VII, Section 10 of the Illinois Constitution of 1970; the Intergovernmental Cooperation Act, 5 ILCS 220/1 *et seq.*, and Section 1-92 of the Act, 20 ILCS 3855/1-92, the Parties do hereby agree as follows:

**SECTION 1. RECITALS.**

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

**SECTION 2. PURPOSE.**

This Agreement is made for the purpose of establishing all of the authority, powers, and resources necessary and convenient to allow the Parties to jointly and efficiently address common bidding and contracting for the Joint Power Supply Bid. This Agreement is further intended to allow the Parties to jointly seek available local, state, and federal funds and other resources, if available, to assist in addressing the Joint Power Supply Bid identified by the Parties as necessary, and being appropriate for, the joint action of the Parties.

**SECTION 3. TERM; OTHER PARTIES.**

- A. **Effective Date.** This Agreement shall take effect as of the date stated in the first paragraph of this Agreement. .
- B. **Term.** The term of this Agreement shall be one (1) year from the effective date of this Agreement (the "***Initial Term***"). Unless either Party gives written notification of intent to terminate this Agreement not less than ninety (90) days prior to the expiration of the Initial Term, or unless the Agreement is otherwise terminated as set forth in Section 6 herein, the Agreement shall automatically renew for another one (1) year period (the

*"Subsequent Term"*). At the end of any Subsequent Term, the Agreement shall continue to automatically renew for an additional one year period, unless terminated by any Party in the same manner as is provided for the termination of the Initial Term.

- C. **Governance.** The Agreement shall be managed, and the duties under this Agreement performed, by the respective chief administrative officers of each Party, or their respective duly authorized representatives or designees ("***Party Representative***"). Each Party Representative shall operate and act with respect to Agreement affairs and actions only pursuant to action duly authorized by the Party Representative's corporate authorities. Unless otherwise unanimously agreed to by the Party Representatives with respect to a specific action or policy, all actions pursuant to the Agreement shall be taken or established only by the unanimous consent of the Party Representatives.
  
- D. **Additional Parties.** Additional local government entities may be added as Parties to this Agreement (a) if approved by all existing Parties, and (b) upon the new Party's execution and approval of this Agreement, as may be amended, by an ordinance or resolution duly adopted by the Party's corporate authorities, and delivery of a certified copy of that ordinance or resolution.

**SECTION 4. GENERAL COOPERATION.**

- A. **Cooperation.** The Parties acknowledge and agree to cooperate with each other in furtherance of the purposes, goals, and objectives of the Agreement. Cooperation required by this Agreement specifically includes, but is not limited to, the sharing and joint utilization by and among the Parties of information and other materials possessed or developed by the Parties, either individually or collectively, and necessary to investigate, identify, and otherwise document the Joint Power Supply Bid.
  
- B. **Independent Operation.** Notwithstanding the provisions of Section 4.A of this Agreement, the Parties acknowledge and agree that the Parties are operating separate Electric Aggregation Programs for each community pursuant to their own plans of governance, and that the Joint Power Supply Bid does not create any responsibility or obligation for any Party to administer or operate any aspect of the Electric Aggregation Program of any other Party.

**SECTION 5. CONTRACTING PROCESS; PAYMENTS AND EXPENSES.**

- A. **Official Coordinator.** For the Initial Term of this Agreement Arlington Heights, Lincolnshire, Long Grove, Palatine, Vernon Hills and Wheeling shall prepare and submit contract documents and bid specifications for their portions of the Joint Power Supply Bid to Buffalo Grove, who will serve as the Official Coordinator to bid the Joint Power Supply Bid.
  
- B. **Procedure for Developing Request for Proposals.** At such time as the Parties desire to solicit competitive sealed bids ("***Sealed Bids***") from contractors for the Joint Power Supply Bid, the Parties shall agree to follow the following process:

- i. The Parties shall meet and confer and agree upon a set of technical specifications and requirements ("**Technical Requirements**") and bidding and contract documents ("**Contract Package**") for the Joint Power Supply Bid. The contract documents shall include a contract to be executed by and between the contractor and each Party for the provision of electrical power to that Party pursuant to the Joint Power Supply Bid ("**Power Supply Agreement**").

The Contract Package shall, without limitation, require bidders to submit pricing to supply electric power to all Parties jointly, provided that the bidder's pricing structure must allow a Party or Parties to proceed with the Joint Power Supply Bid at the joint price, or a substantially similar price, if the corporate authorities of no more than two Parties fail to approve the Joint Power Supply Bid.

- ii. The Contract Package shall provide pricing options for one-year, two-year, and three-year terms.
- iii. The Contract Package shall further require the contractor to obtain and maintain, for the duration of the Power Supply Agreement, such proof of insurance and performance security as the Parties deem necessary. .
- iv. The Contract Package shall further require the contractor to whom the Power Supply Agreement is awarded to indemnify each of the Parties pursuant to the terms of the Power Supply Agreement.
- v. All Parties shall have an adequate opportunity to review and comment on the Technical Requirements and Contract Package, and shall provide such comments to the Official Coordinator. Revised drafts of the Technical Requirements and Contract Package shall be prepared and reviewed by the Parties until such time as the Parties have approved these documents.
- vi. When all Parties are satisfied with the Technical Requirements and Contract Package, the Official Coordinator may issue these documents to prospective contractors or suppliers to solicit Sealed Bids, and shall establish a deadline for the submission of Sealed Bids.
- vii. During the time following the issuance of the Technical Requirements and Contract Package, and prior to the deadline for submission of Sealed Bids, the Official Coordinator shall issue such addenda to the prospective contractors as may be necessary to respond to the inquiries of such prospective contractors or to clarify the Technical Requirements and Contract Package. The Official Coordinator shall consult with the other Parties prior to issuing any such addenda. The Parties shall refer any inquiries or issues received or identified regarding the Technical Requirements and Contract Package to the Official Coordinator for possible inclusion in such an addendum.
- viii. Following receipt of the Sealed Bids, the Official Coordinator shall provide copies of the Sealed Bids to each of the Parties. The Party Representatives shall examine and review the Sealed Bids and shall confer to discuss the Sealed Bids

and to recommend to the Parties which contractor shall be selected and whether a one-year, two-year, or three year pricing structure should be selected

ix. The corporate authorities of each Party shall approve the award of the Power Supply Agreement for that Party by resolution.

C. **Administration by the Parties.** After the completion of the Joint Power Supply Bid and the award by each Party of its own Power Supply Agreement with the contractor, each Party shall be responsible to manage its own Power Supply Agreement and Electric Aggregation Program.

D. **Expenses.** The Parties acknowledge and agree to use their respective staffs and resources, at no cost to the other Parties, for actions undertaken by or on behalf of one of the Parties. Each Party shall be responsible for, and each Party agrees to pay, its own expenses incurred for professional services, including legal fees, engineering inspection, quality control, and any and all other expenses incurred by that Party during the implementation of the Joint Supply Bid. Any expenses to be shared between the Parties shall be approved in advance, and in writing, by each Party.

E. **Costs of this Agreement.** Pursuant to this Agreement, each Party shall be responsible to pay its respective share of the cost of the Joint Power Supply Bid using local funds. Each Party shall budget and appropriate sufficient funds to pay its respective share of the cost of the Joint Power Supply Bid within its respective jurisdiction by an ordinance or resolution approved by the Party's corporate authorities.

F. **Approval by Corporate Authorities.** The Parties acknowledge and agree that, although they intend to proceed under a joint bid, the corporate authorities of any Party may fail to approve the Joint Power Supply Bid or the related Power Supply Agreement. In either event, the remaining Party or Parties may either proceed with the Joint Power Supply Bid or proceed individually.

#### **SECTION 6. WITHDRAWAL; TERMINATION.**

A. **Right to Withdraw.** Any Party may withdraw from this Agreement prior to going out to bid on the Joint Power Supply Bid in the Initial Term or any Subsequent Term, provided that the withdrawing Party must provide notice to the other Parties of its withdrawal no later than 48 hours before issuance of the bid.

B. **Dissolution and Termination.** In addition to the termination provisions set forth in Section 3.B of this Agreement, the Agreement shall be dissolved and terminated (i) upon the written agreement of all the Parties hereto; or (ii) upon the event of only one Party remaining as a party to this Agreement.

#### **SECTION 7. GENERAL PROVISIONS.**

A. **Notices.** All notices and other materials shall be delivered to the Official Coordinator. All notices required to be delivered to any Parties pursuant to this Agreement shall be in writing and shall be deemed delivered to the Party when delivered in person or by

express mail or messenger, via facsimile, or three (3) days after deposit thereof in any main or branch United States Post Office, properly addressed to the Party's principal office and to the attention of the Party's chief administrative official. All notices related to the Technical Requirements of the Joint Power Supply Bid may be coordinated by the Official Coordinator and the Party Representatives by electronic mail or other means of communication, as appropriate.

Notices and communications to each Party shall be addressed to, and delivered at, the following addresses:

Arlington Heights:	Village of Arlington Hts. 33 S. Arlington Heights Rd. Arlington Heights, IL 60005 Attn: Village Manager	With a copy to:	<i>Attorney</i>
Buffalo Grove:	Village of Buffalo Grove 50 Raupp Boulevard Buffalo Grove, IL 60089 Attn: Village Administrator	With a copy to:	William Raysa Raysa & Zimmermann LLC 22 South Washington Av. Park Ridge, IL 60068
Lincolnshire:	Village of Lincolnshire One Olde Half Day Road Lincolnshire, IL 60069 Attn: Village Manager	With a copy to:	<i>Attorney</i>
Long Grove:	Village of Long Grove 3119 RFD Long Grove, IL 60047 Attn: Village Manager	With a copy to:	<i>Attorney</i>
Palatine:	Village of Palatine 200 East Wood Street Palatine, IL 60067 Attn: Village Manager	With a copy to:	<i>Attorney</i>
Vernon Hills:	Village of Vernon Hills 290 Evergreen Drive Vernon Hills, IL 60061 Attn: Village Manager	With a copy to:	<i>Attorney</i>
Wheeling:	Village of Wheeling 2 Community Blvd. Wheeling, IL 60090 Attn: Village Manager	With a copy to:	<i>Attorney</i>

- B. **Entire Agreement.** There are no representations, covenants, promises, or obligations not contained in this Agreement that form any part of this Agreement or upon which any of the Parties is relying in entering into this Agreement. This Agreement, and all covenants and provisions herein contained shall bind and inure to the benefit of each respective local governmental entity which is a party hereto and their respective successors and assigns.
- C. **Severability.** If any provision of this Agreement is construed or held to be void, invalid, or unenforceable in any respect, the remaining provisions of this Agreement shall not be affected thereby but shall remain in full force and effect.
- D. **Interpretation.** It is the express intent of the Parties that this Agreement shall be construed and interpreted so as to preserve its validity and enforceability as a whole. In case of any conflict among the provisions of this Agreement, the provision that best promotes and reflects the intent of the Parties shall control. The Parties hereto have been represented by counsel and have had full opportunity to discuss this Agreement prior to execution. This Agreement shall be construed without regard to the identity of the Party who drafted the various provisions of this Agreement. Moreover, each and every provision of this Agreement shall be construed as though all Parties to this Agreement participated equally in the drafting thereof. As a result of the foregoing, any rule or construction that a document is to be construed against the drafting party shall not be applicable to this Agreement.
- E. **Amendments and Modifications.** This Agreement shall not be modified, changed, altered, or amended without the duly authorized and written consent of each of the Parties by their respective corporate authorities and pursuant to ordinances or resolutions duly adopted and approved by the Party's corporate authorities. No amendment or modification to this Agreement shall be effective until it is reduced to writing and approved by the corporate authorities of each Party and properly executed in accordance with all applicable law.
- F. **Authority to Execute.** Each Party hereby warrants and represents to each other Party that the person executing this Agreement on its behalf has been properly authorized to do so by the corporate authorities of the Party.
- G. **No Third Party Beneficiaries.** Nothing in this Agreement shall create, or shall be construed or interpreted to create, any third party beneficiary rights.
- H. **Indemnification.** Each Party hereby agrees to indemnify, hold harmless and defend the other Party from and against any and all losses, claims, expenses and damages (including reasonable attorneys' fees) made against or incurred by the other Party for any actions taken or failures to act by the Party in connection with the Joint Power Supply Bid that arise out of the Joint Power Supply Bid, each Party's Power Supply Agreement, each Party's Electric Aggregation Program, Power Supply Agreement, or this Agreement, to the extent that such claims were not caused by actions, or failures to act, of another Party.

- I. **Execution.** This Agreement shall be executed by all of the Parties in identical original duplicates and each of the duplicates shall, individually and taken together, constitute one and the same Agreement.

**IN WITNESS WHEREOF**, the Parties have by their duly authorized officers and representatives set their hands and affixed their seals to be effective as of the date specified in Subsection 3A of this Agreement.

**[SIGNATURES FOLLOW ON SUBSEQUENT PAGE]**

ATTEST:

By: \_\_\_\_\_  
Village Clerk

VILLAGE OF ARLINGTON HTS.

By: \_\_\_\_\_  
Mayor

ATTEST:

By: \_\_\_\_\_  
Village Clerk

VILLAGE OF BUFFALO GROVE

By: \_\_\_\_\_  
Village President

ATTEST:

By: \_\_\_\_\_  
Village Clerk

VILLAGE OF LINCOLNSHIRE

By: \_\_\_\_\_  
Village President

ATTEST:

By: \_\_\_\_\_  
Village Clerk

VILLAGE OF LONG GROVE

By: \_\_\_\_\_  
Mayor

ATTEST:

By: \_\_\_\_\_  
Village Clerk

VILLAGE OF PALATINE

By: \_\_\_\_\_  
Mayor

ATTEST:

By: \_\_\_\_\_  
Village Clerk

VILLAGE OF VERNON HILLS

By: \_\_\_\_\_  
Mayor

ATTEST:

By: \_\_\_\_\_  
Village Clerk

VILLAGE OF WHEELING

By: \_\_\_\_\_  
Mayor