

Village of Franklin Park Electricity Aggregation:  
Plan of Governance & Operation

[DRAFT 1/25/2012]

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## I. HISTORY AND PURPOSE OF MUNICIPAL AGGREGATION

Pursuant to the Illinois Power Agency Act ("Act"), 20 ILCS 3855/1-92, the Village of Franklin Park ("Village" or "The Village") is authorized to aggregate the electric loads of small commercial and retail customers located within their municipal boundaries (herein referred to as "municipal aggregation"). Once the aggregation is established, the Village may solicit bids, select a retail electric supplier, and enter into a service agreement to facilitate the purchase of electricity and related services and equipment on behalf of the Village's residents and small businesses.

Additionally, the Act also states:

*The corporate authorities or county board may also exercise such authority jointly with any other municipality or county. Two or more municipalities or counties, or a combination of both, may initiate a process jointly to authorize aggregation by a majority vote of each particular municipality or county as required by this Section.*

The Village does not, at this time, intend to jointly exercise its authority. However, it reserves the right to do so in the future pending amendment to this Plan of Governance and Operation.

In accordance with the Act, the Village passed Ordinance 1112-G-75 date the 5<sup>th</sup> day of December 2011 authorizing a referendum in the community on the March 20, 2012 ballot which asks the public for authority to create an Opt-Out Aggregation Program (Program) for its residents and small business customers. A copy of the Ordinance and Certification is included in Attachment B to this Plan of Governance and Operation.

The Village of Franklin Park voters approved the Municipal Aggregation Referendum at the March 20, 2012 primary election (a record of the vote is included in Attachment C to this document). Prior to the passage of the Referendum, the Village retained the services of a Consultant to assist with planning and implementing the program, bidding and selecting the electricity supplier, and advising the Village on public outreach and education related to municipal aggregation.

The Village conducted a public outreach campaign to educate Village residents and small businesses about the Program, and to gather input regarding their preferences for the development of this Aggregation Plan of Operation and Governance. Outreach efforts included public meetings, two (2) statutorily required public hearings, press releases, news articles in local and regional media and the discussions with organizations and residents with a background in energy matters.

The Village seeks to aggregate the retail electric loads of eligible residents and small commercial retail accounts and to solicit bids for the purchase of that electricity. The Village will solicit bids seeking various pricing options, contract terms and options for increased volumes of renewable energy. With an estimated 6,000 eligible electric accounts, the Aggregation has the potential to attract lower rates than the current default tariff service rate, while also acquiring a cleaner power supply.

Residential and small commercial retail customers often lack the resources to conduct due diligence and negotiate favorable terms with alternate retail electric suppliers on their own. The Village's program not only provides these services, but provides the bargaining power achieved through the size of the Aggregation. The Program is designed to reduce the amount its members pay for electric energy power supply and gain other favorable terms of service.

The Village will not buy or resell power, but will select through a competitive process, and negotiate a contract with a competent and licensed alternative retail electric supplier (ARES) to provide electric supply at contracted rates to all members of the Aggregation Program. The ARES shall provide accurate and understandable pricing and facilitate opt-out notifications. The ARES will also perform ancillary services for the Aggregation Members as described in this Plan.

Because the Village adopted an opt-out aggregation program, all eligible customers located within the Village of Franklin Park will participate in the Program unless they affirmatively elect to opt out of the Program. By identifying the procedures by which customers may opt-out of the Program, the Village ensures that participation is voluntary and individuals have the ability to decline to participate.

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

- 1) Providing universal access to all applicable residential customers and equitable treatment of applicable residential 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 Village of Franklin Park and the Consultant, and the selected ARES will follow the Plan of Operation and Governance set forth in this document.

## II. DEFINITIONS

In order to clarify certain terminology, the following terms shall have the meanings set forth below:

"Act" shall refer to the Illinois Power Agency Act as set forth at 20 ILCS 3855/1-92;

"Aggregation" or "Municipal Aggregation" or "Community Choice Aggregation" shall mean the pooling of residential and small commercial retail electrical loads located within the municipality for the purpose of soliciting bids and enter into service agreements to facilitate for those loads the sale and purchase of electricity and related services and equipment in accordance with 20 ILCS 3855/1-92;

"Aggregation Consultant" or "Consultant" shall refer to an independent consultant with demonstrated expertise in electric supply contracting.

"Aggregation Member" or "Member" shall mean a residential or small commercial retail electric account enrolled in the Village of Franklin Park Municipal Aggregation Program;

"Aggregation Program" or "Program" shall mean the program developed by the Village of Franklin Park, as a Municipal Aggregator under the Act, to provide residential and small commercial customers in Village Communities with retail electric supply as described in this document;

"Alternative Retail Electric Supplier" or "ARES" shall mean an entity certified by the Illinois Commerce Commission to offer electric power or energy for sale, lease or in exchange for other value received to one or more retail customers, or that engages in the delivery or furnishing of electric power or energy to such retail customers, and shall include, without limitation, resellers, aggregators and power marketers but shall not

include the Electric Utility or the Village of Franklin Park Aggregation members. For purposes of this document, the definition of Alternative Retail Electric Supplier is more completely set forth in 220 ILCS 5/16-102;

"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, they 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);

"Commonwealth Edison" or "ComEd" shall mean the Commonwealth Edison Utility Company that provides electricity delivery services to the Village of Franklin Park.

"Default Tariff Service" shall mean the electricity supply services available to eligible retail customers of the Utility;

"Electric Utility" or "Utilities" shall mean Commonwealth Edison (ComEd) as the entity that has a franchise, license, permit or right to distribute, furnish or sell electricity to retail customers within the Village;

"Eligible Retail Customer" shall mean the residential and small commercial retail customers of the Utility;

"ICC" shall mean the Illinois Commerce Commission as described in 220 ILCS 5/2-101

"IPA" shall mean the Illinois Power Agency established by Public Act 95-0481, (20 ILCS 3855/1-1 et.seq.);

"Load" shall mean the total demand for electric energy required to serve the Village of Franklin Park residential and small commercial members in the Aggregation;

"Municipal Aggregator" shall mean the Village of Franklin Park acting as facilitator for the process of securing competitive retail electric rates for the Aggregation Members pursuant to the authority conferred by the Act and in accordance with this Aggregation Plan of Operation and Governance;

"Village" or "The Village" shall mean the Village of Franklin Park, acting by and through its corporate authorities, and authorized Village employees;

"Opt-Out" shall mean the process by which a customer who would be included in the Aggregation chooses not to participate in the Aggregation and to return to ComEd's default tariff service;

"PIPP" shall mean Percentage of Income Payment Plan (PIPP) 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 is a regional transmission organization (RTO) that coordinates the movement of wholesale electricity in all or parts of 13 states and the District of Columbia including the Commonwealth Edison service territory.

"Plan" shall mean this Aggregation Plan of Operation and Governance;

“Power Supply Service Agreement” or “Service Agreement” shall mean the contract between the Village communities and the Alternate Retail Electric Supplier (ARES);

“REC” shall mean duly certified and verified Renewable Energy Credits;

“Request for Proposals” or “RFP” shall mean a formal written invitation to responsible bidders to submit qualifications and pricing methods for electricity supply, services, and equipment to the Aggregation.

“Small Commercial Retail Customer” shall mean those retail customers with an annual peak demand of 100 kW or less, provided, however, that the definition of Small Commercial Retail Customer will include such other definition or description as may become required by law or tariff.

“Village Designee” shall mean the person (or persons) empowered by the Village by Ordinance to authorize and execute a contract price lock for electricity supply on behalf of the Village Board.

### **III. ROLE OF THE VILLAGE**

A. After the adoption of this Plan, the Village of Franklin Park with the assistance of the Consultant shall submit to ComEd, in writing, a warrant demonstrating the passage of the Village of Franklin Park’s municipal aggregation ordinance, the adoption of this Plan by the corporate authorities, and requesting the identification of retail and small commercial electric customer account information and generic load profiles.

B. The Village of Franklin Park will maintain the customer information it receives in a confidential manner as required by law and will use that information only for purposes of its Municipal Aggregation. The Village of Franklin Park may assign access to the customer information to the Consultant for the purposes of soliciting supply and service bids on behalf of the Village of Franklin Park. The Consultant is bound by confidentiality requirements in this regard, and shall only access and utilize consumer data at the direction of the Village of Franklin Park alone. Customer account information will be considered confidential and will not be disclosed under the Freedom of Information Act.

C. The Village of Franklin Park and Consultant will review the customer list to remove ineligible customers, provided however, that the Village and Consultant shall have no responsibility to potential aggregation members or the ARES for the accuracy of the customer account information provided.

D. The Village of Franklin Park and Consultant will develop a Request for Proposals (RFP) for Electricity Services in cooperation with the Aggregation Consultant in accordance with the terms set forth in this document.

E. The Village of Franklin Park will inform the potential bidders in the RFP document of the Village’s generic load profile information as provided by ComEd.

F. The Village of Franklin Park and the Consultant will receive and evaluate proposals and select any ARES who the Village finds to be in the best interest of the Village.

G. The Village of Franklin Park may accept or deny the Consultant’s ARES selection recommendation.

H. The Village of Franklin Park is under no obligation to enter into any service agreement with any ARES and may, in its discretion, chose to have the aggregation members remain on ComEd's default tariff service, or to re-bid the electric service under the same or amended terms of this Plan.

I. The Village of Franklin Park and Consultant, as the facilitators of this bidding process, are not responsible for providing electricity to the members of the Aggregation, or for billing or collecting for electricity provided under any ARES power supply agreement, and has no responsibility beyond the duties described herein. ComEd will continue to provide a single bill to Aggregation Members for all electrical charges.

#### **IV. ROLE OF THE AGGREGATION CONSULTANT**

A. Duties. The Aggregation Consultant shall advise and assist the Village with the development and implementation of its Municipal Aggregation Program, including advising staff and elected officials (at the request of the Village President) on all aspects of the program; developing all necessary documents, soliciting and reviewing bids received, making recommendations as appropriate and monitoring the ARES' compliance with the requirements of the Service Agreement.

B. Required Independence and Disclosures. As required by the Electric Service Customer Choice Act, the Consultant will be in a fiduciary relationship with the Village and owes the Village and its Aggregation Members the duty of loyalty and independent judgment. The Consultant will be disqualified if it acts as the agent for any ICC certified ARES. It is the duty of the Consultant to disclose any such relationships and to terminate the agreement in the event of such a relationship. Breach of these terms will result in the Village terminating the Consultant Agreement.

C. Fee. The Consultant shall be paid directly by the Village. The Village may reimburse itself for Consultant expenses through the addition of a fee to the supply or service contract costs negotiated with suppliers. If the Village chooses not to contract with a supplier, the Village will not be responsible to pay the Consultant any fee or compensation.

D. Confidentiality. The Consultant shall not have access to any confidential customer account information unless so allowed by the Village and 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 this Aggregation Program.

E. Village Assistance. The Consultant shall advise the Village on any changes in laws, rules, tariffs or any other regulatory matter that impacts the Aggregation during the term of the Service Agreement.

F. Ownership of Work Product. The Consultant shall not use any Village work product for any other client or represent any Village work product as its own.

#### **V. BIDDING**

A. Bidding Procedures. The Village, working in cooperation with the Consultant, shall develop a Request for Proposals containing the terms and conditions required in this Plan of Operation and Governance. The

bidding process will be conducted in accordance with all applicable state and local laws and Village acceptance of bidding practices and protocols.

The corporate authorities of the Village of Franklin Park will retain the full and absolute right to accept, accept with conditions, or reject any bid. The Village may, but is not required to, select an ARES to provide an energy power supply for the Aggregation Program according to the terms of the Service Agreement. The Village of Franklin Park also may, but is not required to, select an ARES to provide an energy power supply for the Aggregation Program according to the terms of the Service Agreement between Village and the ARES.

If the Village does not award a contract as a result of the bid process, the Village will notify the Aggregation Members that their electricity will continue to be provided by ComEd's default tariff service provider. The Village will pursue an Early Selection bidding process to select an ARES. Early Selection solicits bids from registered ARES to establish: 1) qualifications, and 2) the maximum margin (the \$/MWh charged by the ARES above the market price for electricity supply, capacity, transmission, and ancillary services) the ARES will affix to any fixed price quote provided to the Village. The Early Selection process awards a provisional contract to an ARES prior to the referendum, but fixes the commodity price for the Aggregation after the referendum. The selection process is designed to provide more flexibility to the Village with regard to fixing a commodity price, reducing transaction costs, and delivering lower cost electricity to Participants at an earlier date than standard procurement methods.

#### B. Contents of the Bid

1. **Term of Agreement:** The initial Service Agreement will be for a period no less than one (1) year. The Village will have discretion to determine the length of any future contract periods.
2. **Fixed margin:** The \$/MWh charged by the ARES above the market price for electricity supply, capacity, transmission, and ancillary services.
3. **Power Mix:** Bidders will certify their ability to provide fixed price commodity quotes for the following energy mixes:
  - a. **Lowest Price Mix.** Electricity supply that includes the minimum renewable energy resources required by the State of Illinois Renewable Portfolio Standard. Between comparable offers, the Village will give preference to any bidder that provides all its power from sources other than coal.
  - b. **Enhanced Renewable Energy Mix.** Electricity where any non-renewable sources of electricity provided to the Aggregation are offset 100% by Renewable Energy Credits sourced through PJM hydro, wind, solar or captured methane-landfill gas. The Bidder will provide a set cost adder for providing the Renewable Energy option.

the Village of Franklin Park will determine whether any option beyond the Lowest Price Mix will be accepted.

4. **Rates:** The Village's intent in soliciting the bids is to provide residents with delivered electricity prices that are always less than ComEd's applicable rates.



5. **Other Charges:** Neither the Village nor the selected ARES will impose any terms, conditions, fees or charges on any Member served by the Aggregation Program other than the rate quoted above and a reasonable administrative fee to reimburse the Village for expenses incurred to establish the Aggregation. No exit fees will be applied to Aggregation Members who seek to opt-out of the Aggregation after the initial opt-out process has concluded. No entrance fees will be applied to customers who seek to join the aggregation after the commencement of the Aggregation supply contract.

6. **Disclosure:** In bidding, the ARES shall disclose the percentage of the rate that is attributable to administrative services and the energy consultant's commission.

7. **Opt Out notifications:** Bidders shall describe the manner and time in which the Opt Out Notification process will be handled and the manner in which it communicates with ComEd to track customer participation in the Aggregation.

8. **Mid-term customer additions.** Bidders will describe how they will handle customers who want to join the Aggregation after the beginning of the Service Agreement, including customers who relocate within the Village and new customers who establish new electric service.

9. **Qualifications:** Bidders will demonstrate that they meet all of the qualifications listed in Section C below.

10. **Percentage of Income Payment Plan (PIPP) participation:** Bidders will state whether they participate in the PIPP program. Bidders will also describe their process for notifying PIPP customers of the consequences of participating in the Aggregation.

11. **Subcontractors:** Bidders shall not employ any subcontractors other than as necessary for subcontractors will be held to the same strict confidentiality standards applicable to the ARES and will be required to otherwise comply with the requirements of the Service Agreement. The use of subcontractors whether approved or unapproved will not relieve the ARES from the duties, terms and conditions in the Service Agreement. Bidders shall be authorized resellers of electricity. As such their relationships with PJM or energy producers shall not be considered subcontracts for purposes of this document.

12. **Member Services:** Bidders will describe how they will provide membership education, including Aggregation and Opt Out notices, how they will respond to customer inquiries, how they will communicate with the public regarding the Aggregation Program and any other ongoing consumer education efforts.

13. **Confidentiality:** Bidders must describe the controls they have in place to guarantee the confidentiality of customer information.

14. **Customer Service.** Bidders shall respond with information on how they will provide customer service to the Village.

15. **New Accounts.** Bidders will describe the process for adding new customer accounts to the Aggregation during the term of the Service Agreement.

16. Bilingual Services. Bidders will describe their capacity to deliver customer service for Members requiring non-English verbal and written assistance.

17. Hearing Impaired. Bidders will describe their capacity to deliver customer service for hearing impaired Members.

C. Qualification of Bidders. Bidders must demonstrate that they satisfy each of the following requirements:

1. Maintain a 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;
2. Register as a retail electric supplier with ComEd;
3. Maintain a Service Agreement for Network Integration Transmission Service under Open Access Transmission Tariff;
4. Maintain the necessary corporate structure to sell energy power supplies to the ComEd residential and small commercial retail customers in Village;
5. Maintain an Electronic Data Interchange computer network that is fully functional at all times and includes back-up file saving systems, and is capable of handling the ComEd residential and small commercial retail electric customers in the Village;
6. Maintain the marketing ability to reach all ComEd residential and small commercial retail customers in Village to educate them on the terms of the Aggregation Program and the Act, ensuring that marketing materials take into account multiple modes of communication including but not limited to regular mail using the Village's envelopes, email distribution lists, websites, social media and phone contact;
7. Maintain a local or toll-free telephone access line which will be available to Aggregation 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 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 thirty (30) seconds when the connection is made. If the call needs to be transferred, transfer time shall not exceed thirty (30) thirty seconds. These standards shall be met no less than ninety (90) percent of the time under normal operating conditions, measured on a quarterly basis.
8. Maintain a local or toll-free telephone number for customer service and complaints related to the Village's Aggregation Program with a detailed plan for reaching multi-lingual customers or customers with disabilities;
9. Provide proof of the company's bond posting with the ICC;
10. Comply with all applicable laws and regulations of the State of Illinois.

11. Provide proof of company's (or parent company affiliate's) credit rating as reported in the most recent company annual or quarterly reports.

D. Bid Evaluation. The Village will evaluate the bids on the following criteria:

1. Qualifications of the Bidder
2. Rates and corresponding power mixes provided.
3. Quality of the Response to the Aggregation Plan
4. Quality of Marketing Plan and Timeline
5. Experience
6. Any other factors deemed to be in the Village's best interest.

E. Award. The Village will award a contract to any bidder which the Village determines to be in the best interests of the Village. The Village will not be required to award any contract.

F. Commodity Price Settlement. After passage of the Referendum, the Village and the Consultant will receive from the selected ARES daily market price quotes. The daily market price quotes will detail the line item costs of energy supply, capacity, transmission, ancillary services, and vendor margin available to the Village 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 Village Designee of the price and pricing components and recommend acceptance. If accepted, the Village Designee will affirm acceptance of the commodity price verbally and in writing to the ARES.

G. The commodity price established for the Village will be added to the ARES contract within the contract Pricing Appendix. Costs associated with additional Renewable Energy Credits and reimbursement costs for Aggregation development by the Village may be added to the Commodity Price Settlement at the discretion of the Village.

## **VI. POWER SUPPLY SERVICE AGREEMENT**

The Village will enter into an agreement with a selected ARES which contains the following minimum terms and conditions:

A. Term. The Village's first Service Agreement shall be for a one year period. Following the expiration of the term, the ARES will continue to provide electric service on a month to month basis at its then best rate until provided with 30 day written notice to discontinue providing service. If the Agreement is extended or renewed, Members will be notified by the Village of Franklin Park as required by law and the rules of the ICC and IPA as to any change in rates or service conditions. The Village of Franklin Park will have the discretion to set the length of any subsequent contract term.

B. Rate. The agreement shall specify the rates and the power mix as quoted in the proposal and shall specify any other charges or fees, such as a disconnection.

C. Compliance with Requirement in the Bid. The agreement shall require the ARES to maintain all required qualifications, and to provide all services required in the bid.

D. Confidentiality of Customer Database. The ARES shall preserve the confidentiality of all Aggregation Members' account information and shall agree to adopt and follow protocols to preserve that confidentiality. The ARES, as a material condition of any contract, shall not disclose, use, sell or provide customer account information to any person, firm or entity for any purpose outside the operation of this Municipal Aggregation Program. This provision will survive the termination of the agreement. The Village, upon receiving customer 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.

E. Non-Competition. The ARES must agree not to solicit or contract directly with eligible Aggregation Program customers for service or rates outside the Aggregation Program, and agrees not to use the Customer information for any other marketing purposes.

F. Hold Harmless. The ARES must agree to hold Village financially harmless from any and all financial obligations arising out of its role as facilitator of the Municipal Aggregation.

G. Additional Services. The Agreement may provide that the ARES will assist the Village in developing a Member Education Plan. The Agreement may provide that the ARES will assist the Village in developing an Energy Efficiency and or a Demand Response program. The Agreement will not preclude the Village from developing its own Member Education, Energy Efficiency, and Demand Response programs.

H. Reporting. The agreement will provide that the ARES will provide the Village with such reports and information as required in this Plan.

I. Costs. All costs of the Aggregation Program development and administration will be paid by the ARES.

## VII. IMPLEMENTATION PROCEDURES

A. Development of Customer Database. Pursuant to ICC regulations, after this Plan is approved by the Village, Village President or his designee will then submit a Direct Access Request and Government Authority Aggregation Form to ComEd (ILL.C.C. No.10 Rate GAP Government Aggregation Protocols, Sheets 406-411, April 17 2011) requesting that it provide the Village with Retail Customer Identification Information. ComEd will provide the Village with the requested information within ten (10) business days of receiving the request in accordance with those adopted protocols.

After selecting and contracting with an ARES, the Village and the Consultant, under confidential agreement with the ARES, will work with the ARES, to remove any customers determined to be ineligible due to one or more of the following:

1. The customer is not located within the Village;
2. The customer has a pre-existing agreement with another ARES;
3. The customer has free ComEd service;
4. The customer has hourly rate ComEd customer (real time pricing);
5. The customer is on ComEd's electric heat rate;
6. The customer is on a ComEd bundled hold.

The ARES and the Village will complete this eligibility review within 5 business days.

The Retail Customer Identification Information will remain the property of the Village, and the ARES will comply with the confidentiality and non-compete provisions in the Service Agreement.

After the Retail Customer Identification Information is reviewed, the ARES will mail the Opt-Out Notices described below to all eligible account holders within the boundaries of Village.

The ARES shall treat all customers equally and shall not deny service to any customer in the Aggregation, or alter rates for different classes of customers other than by offering the two rates quoted in their bid for customers to select.

B. Maintenance of Accurate and Secure Customer Records. The ARES will maintain a secure database of Customer Account Information. The database will include the ComEd account number, and ARES account number of each active Member, and other pertinent information such as rate code, rider code (if applicable), and usage and demand history. The database will be updated on an ongoing basis.

The ARES will maintain the database in a secure and confidential manner. The ARES will keep Customer Account Information for a minimum of two years following the termination of the service.

C. Opt-Out Process. The Village's Aggregation is an Opt-Out program pursuant to 20 ILCS 3855/1-92. Any eligible electric account that opts out of the Program pursuant to the procedures stated below will automatically be placed on the ComEd default tariff service unless and until the account chooses another ARES.

1. Manner of Providing Notices and Information. The ARES will be required to pay for printing and mailing of all Aggregation and Opt-Out Notices on the Village of Franklin Park envelope and letterhead. The ARES will mail Aggregation and Opt Out Notices to the eligible account holders within the boundaries of Village at the address provided with the Retail Customer Identification Information provided by ComEd.

2. Content of Notice. The Village and the ARES will agree to the format and contents of the Aggregation and Opt-Out Notice prior to distribution or mailing. The Notice will inform the electric account owner of the existence of the Aggregation Program, the identity of the ARES, the rates to be charged. The Notice will also inform PIPP customers of the consequences of participating in the Aggregation.

The Notice will provide a method for customers to Opt Out of the Aggregation Program. The Notice shall indicate that it is from the Village, and include the Village name and logo on the envelope. The Notice shall be signed by the Village President or his designee.

3. Time to Respond. Aggregation Members shall have fourteen (14) calendar days from the postmark date on the notice to mail the Opt-Out card back to the ARES stating their intention to Opt Out of the Village Aggregation Program.

The time to respond shall be calculated based on the post mark date of the notice to the customer and the post mark date of the customer's response. The ARES may offer additional means of opting out, such as a toll-free number, website, smart device quick response code, email address or fax number, each of which must be received within 14 days from the post mark date on the Opt Out notice. Upon receipt of the opt-out reply, the ARES will remove the account from the Aggregation Program.

After the expiration of the fourteen (14) day Opt Out period, the Customer list shall become final. All customers who have not opted out will be automatically enrolled in the Program. Customers will not need to take any affirmative steps in order to be included in the program.

In the event that an eligible Aggregation Member is inadvertently not sent an Opt-Out Notice, or is inadvertently omitted from the Program, the ARES will work with the Village and the Member to ensure that the Member's decision to remain in, or opt out, of the Program is properly recorded and implemented by the ARES.

4. Change of Address. Members who move from one location to another within the corporate limits of Village shall retain their participant status.

D. Notification to ComEd. Pursuant to ILL.C.C. No.10, Rate GAP, after the Opt-Out response period has expired, the ARES shall submit the account numbers of participating Aggregation Members to ComEd and the rate to be charged to those customers pursuant to the Service Agreement and the customer's election. The ARES will provide that information to ComEd in the format ComEd requires.

The ARES will establish procedures and protocols to work with ComEd on an ongoing basis to add, delete or change any customer participation or rate information.

ComEd will then notify customers that they have been switched to the ARES and provide the customer with the name and contact information of the ARES. Customers will have the option to rescind their participation in the program according to time frames and procedures established by ComEd.

E. Activation of Service. Upon notification to ComEd, the ARES will begin to provide electric power supply to the members of the Aggregation Program without consumer action. The service will begin on the customer's normal meter read date within a month when power deliveries begin under the Aggregation Program.

F. Billing. Collection and credit procedures remain the responsibility of the Utility and the individual Aggregation Member. Members are required to remit and comply with the payment terms of ComEd. The Village will not be responsible for late payment or non-payment of any Member Accounts. Neither the Village nor the ARES shall have separate credit or deposit policies for Members.

## **VIII. ADDITIONAL SERVICE TERMS AND CONDITIONS**

A. Member Education. At the discretion of the Village, the ARES will assist Village in developing and implementing a program to educate residential and small commercial retail Aggregation members on the Aggregation Program, as well as energy efficiency and conservation tools. The ARES will also provide the Aggregation Members with updates and disclosures mandated by ICC and IPA rules.

B. Universal Access. The ARES will implement a process to provide universal access including Member Education for multi-lingual members and members with disabilities.

C. Customer Service. The ARES will develop and administer a customer service process that, at a minimum is able to:

1. Accommodate Member inquiries and complaints about energy supply and services; and

2. Answer questions regarding the Program in general.

This process will include a local telephone number for customer inquiries; a description of how the ARES will meet the Village's minimum standards for responding to telephone inquiries will be handled; a description of how communications between the Village, the ARES and ComEd will be reviewed for quality and timeliness; and a process by which the ARES can demonstrate meeting minimum customer service standards.

D. Compliance with Laws. The ARES will develop internal controls and processes to ensure that Village remains in good standing as a Municipal Aggregator that complies with all laws, rules and regulations surrounding the same, as they may be amended from time to time.

E. Reporting. The ARES will provide to the Consultant the following reports:

1. Power Mix Reporting. The ARES's will deliver quarterly reports to the Village and the Consultant which substantiate that: (a) it generated or purchased electricity with the claimed attributes in amounts sufficient to match actual consumption by the Aggregation Members; (b) the electricity was supplied to the interconnected grid serving the Aggregation Members; and (c) the same generated electricity was not sold to more than one consumer.

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

2. REC Reporting. The ARES will deliver reports that provide competent and reliable evidence to support the fact 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 will provide the Village with quarterly reports showing the number of Members participating in the Aggregation Program and the total cost for energy provided to the Aggregation as compared to the ComEd's default tariff service rates. In addition, the ARES will report its efforts at member education.

F. Termination of Service.

1. End of Term. The Village's service agreement with the ARES will terminate upon its expiration, provided that the ARES will continue to provide service at their best rate on a month to month basis after the expiration of the contract term until the Village provides it with 30 day written notice to discontinue providing service.

2. Early Termination. The Village will have the right to terminate the agreement prior to the expiration of the term in the event the ARES commits any act of default. Acts of default include but are not limited to the following:

- a. Breach of Confidentiality regarding Customer information.
- b. The ARES becoming disqualified to perform the services by virtue of the lapse or revocation of any required license or certification listed as a qualification in the RFP.
- c. ComEd's termination of its relationship with the ARES.
- d. Any act or omission which constitutes deception by affirmative statement or practice, or by omission, fraud, misrepresentation, or a bad faith practice.
- e. Billing in excess of the approved kWh rates and stated charges.

- f. Billing or attempting to collect any charge other than the approved kWh rates and contractually approved charges.
- g. Failure to perform at a minimum levels of customer service required by the Village.

The Village will provide the ARES with written notice of immediate termination in the event that any of the defaults listed above under subsections a. through d. exist.

The Village will provide the ARES with written notice of default in the event of any default listed under subsections e. through g., or any other event of default not listed above. The ARES and the Village will attempt to resolve any issues cooperatively within 7 business days. If the issue is not resolved, the Village will again notify the ARES in writing of its intention to terminate the agreement within 30 days if the issue is not resolved to the Village's satisfaction.

Upon termination for any reason, the Village will notify ComEd to return the Aggregation Members to the default tariff electric service.

Upon termination, each individual Member will receive written notification from the Village of Village of the termination of the Program. Such notice will also inform Members of their electric supply options.

G. Jurisdiction. Any disputes between the ARES and the Village will be resolved in the courts or before state agencies in the State of Illinois regardless of any conflicts laws to the contrary.

H. Limitation of Liability. The Village shall not be liable to Aggregation Members for any claims, however styled, arising out of the aggregation program or out of any Village act or omission in facilitating the Municipal Aggregation program.

In addition, the ARES agrees to hold the Village harmless from any claim, cause of action, or proceeding of any kind which may be filed against the Village arising out of the services provided by the ARES or any act or omission of the Village in obtaining the services of the ARES. Participants in the aggregation program shall assert any such claims solely against the ARES pursuant to the power supply agreement, under which such participants are express third party beneficiaries.

## **IX. INFORMATION AND COMPLAINT NUMBERS**

Copies of this Plan will be available from the Village free of charge. Call 847-671-4800 for a copy or for more information. Any electric customer, including any participant in the Village's aggregation program, may contact the Illinois Commerce Commission for information, or to make a complaint against the Program, the ARES or ComEd. The ICC may be reached toll free at 217-782-5793.