

**PALOS TOWNSHIP
UNINCORPORATED AREA
ELECTRICITY AGGREGATION PLAN OF
OPERATION
AND GOVERNANCE**

ADOPTED – APRIL 14, 2014

I. HISTORY AND PURPOSE OF TOWNSHIP AGGREGATION

Pursuant to Section 1-92 of the Illinois Power Agency Act, 20 ILCS 3855/1-92, the Township of PALOS is authorized to aggregate the electric loads of small commercial and residential customers located within its township boundaries (herein referred to as "township aggregation"). As part of the Township aggregation, the Township of Palos may 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 its residents and small businesses.

In accordance with the Act, on November 13, 2013 the Township approved Resolution No. 2013-12 authorizing the placement of a referendum on the March 18, 2014 ballot, seeking authority to create an opt-out Township aggregation program for its residents and small business customers. Voters approved the Township aggregation referendum at the March 18, 2014 election. Record of the authorizing votes for the referendum is included in Attachment A to this Plan of Operation and Governance.

On December 30, 2013, the Township retained the services of a Consultant to assist with planning and implementing the Program, bidding and selecting the electricity supplier, and advising the Township on public outreach and education related to Township aggregation. A copy of the contract with the Consultant is available on the Township's website.

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. Under the authority granted through the referendum, the Township will develop and implement a Township aggregation program (herein referred to as the "Program") to negotiate an electricity supply agreement with a certified alternative retail electric supplier (ARES) on behalf of the Township's residential and small commercial ratepayers. The Program not only provides these services, but provides the bargaining power achieved through Township aggregation. Also, the program is designed to reduce the amount that residents and small businesses pay for electric energy power supply and gain other favorable terms of service.

The Township will not buy or resell power. Rather, the Township will competitively bid and negotiate a contract with a competent and licensed ARES on behalf of the Program participants to provide electric supply at contracted rates to eligible residents and small businesses located within the Township. The selected ARES (Supplier) shall provide accurate and understandable pricing and facilitate opt-out notifications. The Supplier will also perform ancillary services for the program participants as described in this Plan.

Because the Township adopted an opt-out aggregation program, all eligible customers located within the Township 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 Township 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 Township 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 Township conducted a public outreach campaign to educate 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 statutorily-required public hearings, news releases, direct mailings and discussions with organizations and residents.

The Township, the Consultant, and the Supplier will follow the Plan of Operation and Governance set forth in this document. Amendments to this Plan of Operation and Governance may be adopted in accordance with the Act at the option of the Township.

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, 20 ILCS 385511-1 et seq. "Aggregation" or "Township Aggregation" shall mean the pooling of residential and small commercial retail electrical loads located within the Township for the purpose of soliciting bids and entering into service agreements to facilitate for those loads the sale and purchase of electricity and related services and equipment all in accordance with Section 1-92 of the Act.

"Aggregation Consultant" or "Consultant" shall refer to any independent consultant with demonstrated expertise in electric supply contracting that is retained by the Township to assist with the implementation of the Program.

"Aggregation Member" or "Member" shall mean a residential or small commercial retail electric account enrolled in the Township Aggregation Program.

"Aggregation Program" or "Program" shall mean the program established by the Township to provide residential and small commercial members in the Township with retail electric supply as described in this Plan.

"Alternative Retail Electric Supplier" or "ARES" shall mean an entity certified by the ICC 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 Commonwealth Edison, the Township, or the Aggregation Members. For purposes of this Plan, 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 shall be provided in the generation and delivery of electricity, and shall include, without limitation: coordination and scheduling services (load following, energy imbalance service, control of transmission congestion); automatic generation control (load frequency control and the economic dispatch of plants); contractual agreements (loss compensation service); and support of system integrity and security (reactive power, or spinning and operating reserves).

"Commonwealth Edison" or "ComEd" shall mean the Commonwealth Edison Utility Company as the entity that has a franchise, license, permit or right to distribute, furnish or sell electricity to retail customers within the Consortium Townships.

"Default Tariff Service" shall mean the electricity supply services available to eligible retail customers of Commonwealth Edison.

"Eligible Retail Customer" shall mean a residential and small commercial retail customer of the Utility.

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

"Full Commodity Price" shall mean the all-inclusive costs associated with delivering electricity to the Delivery Point plus costs associated with ComEd's Utility Consolidated Billing and Purchase of Receivables services. Such costs include, but are not limited to: tariff charges, rates and rate adjustments, transportation costs, capacity charges, ancillary service costs and credits, hedging and risk management fees, losses, and all other surcharges, taxes, custom duties/charges and balancing costs.

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

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

"IPA" shall mean the Illinois Power Agency.

"Load" shall mean the total demand for electric energy required to serve the Township residential and small commercial customers in the Aggregation Program.

"Opt-Out" shall mean the process by which a Member who would be included in the Program chooses not to participate in the Program.

"Opt-Out Notice" shall mean the notice delivered to each Member by the Township, identifying the procedures and protocols for the Member to opt out or: and choose not to participate in, the Program.

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

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

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

"Power Supply Agreement" shall mean the contract between the Township and the Alternative Retail Electric Supplier.

"Power Supply Bid" shall mean the procurement process utilized by the Township on behalf of Eligible Retail Customers to solicit prices for services from certified Alternative Retail Electric Suppliers.

"Price to Compare" shall mean the unit price for ComEd electricity supply services which is the sum of the electricity supply charge plus the transmission services charge plus the purchased electricity adjustment for non-electric space heating customers as established by ComEd Rider PE (Purchased Electricity) and Rate BES (Basic Electricity Service) or their successor Rates and Riders.

"REC" shall mean Renewable Energy Credits certified in a manner consistent with the requirements of the Illinois Renewable Portfolio Standard.

"Retail Customer Identification .Information" shall mean the retail customer information supplied by Commonwealth Edison to the Supplier in connection with the implementation of the Aggregation Program.

"Small Commercial Retail Customer" shall mean a retail customer with an annual electricity consumption of less than 15,000 kilowatt-hours; provided, however, that the definition of Small Commercial Retail Customer shall include such other definition or description as may become required by law or tariff.

"Supplier" shall mean the Alternative Retail Electric Supplier selected by the Township to provide electricity supplies and services to Aggregation Members.

"Township" shall mean the Palos Township, Illinois.

III. ROLE OF THE TOWNSHIP

- A. The Township, with the assistance of the Consultant, will prepare and submit to ComEd a warrant, demonstrating the passage of the referendum and requesting the identification of retail and small commercial electric customer account information and generic load profiles.
- B. The Township, with the assistance of the Consultant, shall prepare a data request to submit to ComEd seeking the generic account data of residential and small commercial retail customers.
- C. The Township and Consultant will review the customer list to remove ineligible customers; provided however, that the Township and Consultant shall have no responsibility to potential

aggregation Members or the Supplier for the accuracy of the customer account information provided.

- D. The Township, with the assistance of the Consultant, will conduct a Power Supply Bid utilizing the agreed-to technical specifications, bidder requirements, bidding processes, and contract documents, to select a single ARES. The Township will evaluate the bids received and select a single ARES to serve as the electricity supplier.
- E. The Township shall adopt: (1) an ordinance authorizing an opt-out electric aggregation program; and (2) this Plan of Operation and Governance.
- F. After the adoption of this Plan, the corporate authorities of the Township will consider approval of the Power Supply Agreement with the Supplier for the provision of electrical power to the Township's Program pursuant to the Power Supply Bid.
- G. The Township is under no obligation to enter into any Power Supply Agreement with any ARES and may, at its discretion, choose to have its 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.
- H. The Township shall be responsible for issuing all required public notices and conducting all required public hearings concerning this Plan, and any amendments thereto, in accordance with Section 1-92 of the Act.
- I. The Township shall be responsible for forwarding to ComEd periodic requests for consumer account data.
- J. The Township shall be responsible for providing the Consultant and Supplier with resources and publicly available material to screen out customers who are not located within the Township boundaries. Those resources may include any or all of the following: property records, water and/or sewer records, fire and/or police department address records, 911 address records, street listings, and maps.
- K. The Township 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 Township Aggregation. The Township may assign access to the customer information to the Consultant for the purposes of soliciting supply and service bids on behalf of the Township. The Consultant is bound by confidentiality requirements in this regard, and shall only access and utilize consumer data at the direction of the Township. Customer account information will be considered confidential and will not be disclosed under the Freedom of Information Act, except as required by law.
- L. The Township is 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.

ROLE OF THE AGGREGATION CONSULTANT

- A. Duties. The Aggregation Consultant shall advise the Township and shall assist the Township with the development and implementation of its Township Aggregation Program, including advising staff and elected officials on all aspects of the program; developing all necessary documents, soliciting and reviewing bids received, making recommendations as appropriate, and monitoring the Supplier's compliance with the requirements of the Power Supply Agreement.
- B. Required Independence and Disclosures. As required by the Electric Service Customer Choice Act, 220 ILCS 5/16-101 et seq., the Consultant will be in a fiduciary relationship with the Township and owes the Township the duty of loyalty and independent judgment. The Consultant will be disqualified if it acts as the agent for any ARES. It is the duty of the Consultant to disclose any such relationships to the Township and to terminate its agency for the ARES in the event of such a relationship. Breach of these terms may result in the termination of the agreement between the Township and the Consultant.
- C. Fee. The Consultant shall be paid directly by the Supplier as authorized by the Township for the services provided to the Township. The amount of the compensation to the Consultant must be approved by the Township prior to issuance of any payment.
- D. Confidentiality. The Consultant shall not have access to any confidential customer account information unless so allowed by the Township 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 provided by its agreement with the Township, and specifically agrees not to use for itself, or to sell, trade; disseminate or otherwise transfer, that information to any other party for any purpose other than in furtherance of the Aggregation Program.

SELECTION PROCESS

- A. Competitive Selections. The Township, in cooperation with the Consultant, shall utilize a selection process to select a single ARES. The competitive selection process will allow the Township to issue written specifications for the energy supplies and services required by Program Members, distribute those specifications to potential suppliers, and to review proposals in a manner to secure the best value for Members. The Township will not be required to enter into agreements with any ARES pursuant to any solicitation.
- B. Selection Process. The Township may conduct a two-phase supplier selection process. The first phase may be the issuance of a Request for Qualifications (RFQ). The RFQ will be used to identify qualified bidders that can participate in the second phase. The second phase of the supplier selection process will be the submission of a bid document to qualified bidders.
- C. Request for Qualifications. For the initial Power Supply Agreement, the Township, in cooperation with the Consultant, shall develop an RFQ that will be issued by the Township. Through the RFQ process, the Township will determine qualified bidders that meet the criteria specified in the RFQ. If an RFQ respondent meets all requirements of the RFQ, the

RFQ respondent will be qualified to participate in a future bid process for supply of electricity to program participants.

1. Disclosures. In determining whether RFQ respondents are responsible and should be qualified, the Township will consider factors that include, but are not limited to, certifications, conflict of interest disclosures, taxpayer identification number, past performance, references, and compliance with applicable laws, financial stability, and the perceived ability to perform as specified. RFQ respondents must have financial resources sufficient, in the opinion of the Township, to ensure performance of the Power Supply Agreement and must provide proof of the sufficiency of their financial resources to the Township upon request.
2. Enrollments. RFQ respondents shall describe the manner and time in which the Opt-Out Process will be handled, and the manner in which the RFQ respondent communicates with ComEd to enhance Eligible Retail Customer participation in the Program. RFQ respondents must describe the process for adding new customer accounts to the Program during the term of the Power Supply Agreement.
3. PIPP participation. RFQ respondents shall certify that they can provide energy supply service to PIPP participants in a manner that does not cause PIPP participant to lose the benefits of the PIPP assistance program.
4. Member Services. RFQ respondents must describe how they will provide membership education, supply Opt-Out Notices, respond to customer inquiries, and communicate with the public regarding the Program, and any other ongoing consumer education efforts.
5. Confidentiality. RFQ respondents must describe the controls they have in place to guarantee the confidentiality of customer account information.
6. Technical Qualifications of Proposers. RFQ respondents must demonstrate that they satisfy each of the following requirements:
 - a) Certifications. RFQ respondents must document that they possess all current and valid certifications and agreements necessary to the delivery of Electricity Supply to the Program, including, but not limited to:
 - i. ICC Certification. RFQ respondents must have a current certificate of serviced authority from the State of Illinois as a certified retail electric supplier and any and all other licenses or certifications required by the ICC. Bidders must provide proof of their bond posting with the ICC.
 - ii. ComEd Registration. RFQ respondents must demonstrate their current registration as a retail electric supplier with ComEd.
 - iii. Existing Transmission Agreements. RFQ respondents must demonstrate their current supply agreement(s) for network integration transmission service under open access transmission tariffs.

- b) Resources. RFQ respondents must demonstrate that they possess all of the resources and systems necessary to serve the Program, including, but not limited to:
- i. Corporate Support and Resources. RFQ respondents must document the necessary corporate structure and local staff to provide energy power supplies to the Program.
 - ii. Financial Stability. RFQ respondents must provide documentation of investment-grade corporate debt rating as evidenced by one of the major investment rating agencies. RFQ respondents that operate as subsidiaries to larger corporate organizations must provide a letter of acknowledgement from the parent firm citing that the parent company supports the financial liabilities and obligations of the Respondent.
 - iii. EDT Systems. RFQ respondents must demonstrate that they possess an existing electronic data interchange computer network that is fully functional at all times and includes back-up file saving systems, and is capable of handling anticipated Program volumes.
 - iv. Communications Platforms. RFQ respondents must demonstrate the ability to receive and respond to inquiries from Program participants, including the following, at minimum:
 - v. Marketing Support. RFQ respondents must demonstrate that they possess the existing ability to reach Program Participants to provide education on the terms of the Program and the Act. Bidders must demonstrate how marketing materials and messages can be provided to Members through, but not limited to, the following communication portals: regular mail; email distribution lists; websites; social media; and phone contact.
 - vi. Toll Free Call Center. RFQ respondents must demonstrate that they maintain, or will maintain, a toll-free telephone access line which shall be available to Program Members and Associate Members 24 hours a day, seven days a week. Trained company representatives shall be available to respond to customer telephone inquiries during normal business hours. Outside of these hours, the access line may be answered by a service or an automated response system, including an answering machine. Additional requirements may be determined by the Township Board.
 - vii. Program Website. RFQ respondents must demonstrate that they maintain, or will maintain, a dedicated website for the Members. The website shall provide basic information concerning the Program and shall facilitate customer inquiries by providing a platform for the submission of questions. The website shall allow for opt outs during the Opt-Out Period and for enrollments after the Opt-Out Period. Responses to inquiries submitted through the website platform shall be made within 24 hours.

- viii. Multiple Languages. RFQ respondents must demonstrate the ability to provide customer service for Members requiring non-English verbal and written assistance.
- ix. Hearing Impaired Services. RFQ Respondents must demonstrate the ability to provide customer service for hearing-impaired Members.
- x. Data Services. The Supplier shall provide Members with access to their account's historical electricity consumption and costs; information concerning the opportunities and advantages for energy efficiency and distributed generation; and analytical tools to aid in establishing more efficient use of electricity

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

- a) Technical qualifications.
- b) Quality of the response to the solicitation.
- c) Quality of the communications plan and timeline.
- d) Experience in the ComEd service region
- e) Ability to enroll customers into the Program pursuant to an established schedule.
- f) Any other factors deemed to be in the Township's best interest.

D. Electricity Supply Bids. The Township, in cooperation with the Consultant, shall develop bid documents that will be distributed to qualified bidders. The solicitation documents will request bids for the Full Electricity Requirements for Members. The Township shall receive and evaluate bids and may enter into a Power Supply Agreement with an ARES. The Township shall be under no obligation to enter into any Agreement with any ARES and may, at its discretion, choose to reject all bids or to conduct a new solicitation to provide electricity supply under the same or amended terms of this Plan.

E. Contents of the Bids. The solicitations issued by the Township on behalf of Members shall include at least the following contents:

- 1. Term of Agreement. Bidders may propose the term period for their proposal. However, the Township shall have the discretion to establish the term and period of any agreement based on a determination of the best interests of Members.
- 2. Power Mix. The Supplier shall meet the statutory requirements under the Illinois Renewable Portfolio Standards. The Township may seek to supplement the Program's power mix with the purchase of additional volumes of REC's. The Township may require bidders to provide options and pricing to accommodate such additional REC purchases.
- 3. Rates. One of the Township's objectives in soliciting bids is to provide Members with delivered electricity prices that are less than the Price to Compare. As such, bidders must

commit to a rate that is below the Price to Compare during the entire term of the Agreement. In the event the Price to Compare is less than the Supplier's rate, the Supplier will have the options, at the Township's discretion, as outlined in Section VIC.

Additionally, any pass-through costs above the costs associated with delivering Full Requirements Electricity supply to Members (such as administrative reimbursements to the Township, program costs, purchases of RECs above the volume required by the Illinois Renewable Portfolio Standard, etc.) shall be disregarded for purposes of comparing the Fixed Price and the Price to Compare.

VI. POWER SUPPLY AGREEMENT

The Township, at its option, will execute a Power Supply Agreement with the Supplier, in accordance with the following:

- A. Term. The term of the Township's first Power Supply Agreement shall be determined by the Township Board. The Township Board will request bids for a 12 month, 24 month and 36 month term for the initial Agreement. If the agreement is extended or renewed, the Consultant will notify the Township of changes in the rules of the ICC and IPA that require changes in rates or service conditions. The Township will have the discretion to set the length of any subsequent contract term.
- B. Rate. The Agreement shall specify the approved rates and the power mix for the Program, and shall specify additional fees (if any).
- C. Supply of Power. The Supplier shall supply electricity for the program that includes: (1) the minimum renewable energy resources required by the State of Illinois Renewable Portfolio Standard; and (2) at the option of the Township, exceed the requirements of the Illinois Renewable Portfolio Standard by securing Renewable Energy Credits sourced through registered hydroelectric, wind, solar, photovoltaic or captured methane-landfill gas at one hundred percent. The Township has determined that it intends to provide customers an option to select the minimum option or the one hundred percent option.
- D. Compliance with Requirements in the Bid. The agreement shall require the Supplier to maintain all required qualifications, and to provide all services required pursuant to the Joint Power Supply Bid.
- E. Compliance with Plan. The Agreement shall require the Supplier to provide all services in compliance with this Plan as may be amended. Specifically, and without limitation of the foregoing, the Supplier shall provide the Township with such reports and information as required in this Plan.
- F. Non-Competition. The Supplier must agree not to solicit or contract directly with eligible Aggregation Program members for service or rates outside the Aggregation Program, and agrees not to use the member information for any other marketing purposes.
- G. Hold Harmless. The Supplier must agree to hold the Township harmless from any and all financial obligations arising from the Program.

- H. Insurance. The Supplier shall obtain and maintain, for the duration of the Power Supply Agreement, such proof of insurance and performance security as the Township deems necessary.
- I. Additional Services. The Agreement may provide that the Supplier will assist the Township in developing a Member Education Plan. The Agreement may provide that the Supplier will assist the Township in developing Energy Efficiency and/or Demand Response programs. The Agreement will not preclude the Township from developing its own Member Education, Energy Efficiency, and Demand Response programs.
- J. Fees and Charges:
1. Additional Fees Prohibited. Neither the Township nor the Supplier will impose any terms, conditions, fees, or charges on any Member served by the Program unless the particular term, condition, fee, or charge is: (a) identified in this Plan; and (b) clearly disclosed to the Member at the time the Member enrolls in, or chooses not to opt out of, the Program.
 2. ComEd will continue to bill for late payments, delivery charges, and monthly service fees. These charges apply whether or not a Member switches to the ARES.
 3. Termination, Enrollment, and Switching Fees shall not be charged except as permitted by this Plan.
- K. Costs. The Township does not plan to allocate the costs of the aggregation program development and administration to the Supplier above and beyond the consultant and related fees included in Section IV C. If the Township determines that the Supplier should pay those costs in the future, the Township shall direct the amount and means for facilitating payment of those costs.
- L. Termination of Service.
1. End of Term. The Power Supply Agreement with the Supplier will terminate upon its expiration.
 2. Early Termination. The Township will have the right to terminate the Power Supply Agreement prior to the expiration of the term in the event the Supplier commits any act of default. Acts of default include but are not limited to the following:
 - a) Breach of confidentiality regarding Member information;
 - b) The disqualification of the Supplier to perform the services due to the lapse or revocation of any required license or certification identified as a qualification in the Joint Power Supply Bid;
 - c) ComEd's termination of its relationship with the Supplier;
 - 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 rates and charges;
- f) Billing or attempting to collect any charge other than the approved kw\hr rates and contractually approved charges; or
- g) Failure to perform at a minimum level of customer service required by the Township

Upon termination for any reason, the Township will notify ComEd to return the Aggregation Members to the Default Tariff Service. Upon termination, each individual Member will receive written notification from the Township of the termination of the Program.

VII. PRICING

- A. Pricing Methodology. The Township intends to establish a Fixed Price (non-variable) for the purchase of the Full Electricity Requirements for Members. That fixed price will be honored for all years of the contract as determined by the Township Board. The Township reserves the right to establish a price through a methodology as may be developed by the Township and the Consultant.
- B. Recording. The Full Commodity Price established will be added to the pricing appendix in the Power Supply Agreement. Costs associated with additional Renewable Energy Credits may be added to the commodity price settlement at the discretion of the Township.
- C. Pricing Guarantee. The Township's intent in soliciting the proposals is to provide residents with delivered electricity prices that are always less than ComEd's applicable rates. As such, the Supplier must commit to a rate that is below the Price to Compare in all periods of the Agreement. In the event the Price to Compare is less than the Supplier's rate, then the Supplier will, at the Township's discretion, have the option of:
 - 1. Reduction. Reducing the Agreement Fixed Price to a rate at least equal to the Price to Compare; or
 - 2. Transfer accounts to ComEd. Transferring Program accounts to Default Tariff Service at the discretion of the Township; or,
 - 3. Transfer accounts to another Supplier. Transferring Program accounts to another ARES at the discretion of the Township.

VIII IMPLEMENTATION PROCEDURES

- A. Development of Member Database. Pursuant to ICC regulations, the Township Manager or his or her designee will submit a Direct Access Request and Government Authority Aggregation Form to ComEd, requesting that it provide the Township with Retail Customer Identification Information. ComEd will provide the Township with the requested information

within 10 business days after receiving the request in accordance with those adopted protocols.

After selecting and contracting with the Supplier, the Township, with the assistance of the Consultant, under confidential agreement with the Supplier, will work with the Supplier to remove any customers determined to be ineligible due to circumstances including but not limited to, one or more of the following:

1. The customer is not located within the Township;
2. The customer has a pre-existing agreement with another ARES and has not delivered to the Township a written request to switch to the Aggregation Program;
3. The customer has free ComEd service;
4. The customer is an hourly rate ComEd customer (real time pricing);
5. The customer is on a ComEd bundled hold (i.e. the customer recently terminated service from a different ARES and re-established service through ComEd).

The Retail Customer Identification Information will remain the property of the Township, and the Supplier will comply with the confidentiality and non-compete provisions in the Power Supply Agreement.

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

The Supplier 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 rates set forth in the Power Supply Agreement.

B. Maintenance of Accurate and Secure Customer Records. The Supplier will maintain a secure database of Customer Account Information. The database will include the ComEd account number, and Supplier's 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 Supplier shall preserve the confidentiality of all Aggregation Members' account information and of the database, and shall agree to adopt and follow-protocols to preserve that confidentiality. The Supplier, 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 Township Aggregation Program. This provision will survive the termination of the agreement. The Township, 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. The Supplier will keep Customer Account Information for a minimum of two years following the termination of the Power Supply Agreement.

C. Initial Opt-Out Process. The Township'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 accountholder chooses another ARES.

1. Manner of Providing Notices and Information. The Supplier will be required to pay for printing and mailing of all Aggregation and Opt-Out Notices as approved by the Township on Township envelope and letterhead. The Supplier will mail Aggregation and Opt-Out Notices to the eligible account holders within the boundaries of the Township at the address provided with the Retail Customer Identification Information provided by ComEd. The Supplier must manage the Opt-Out Notice process under the supervision of the Township and the Consultant. A single database must be used to track account enrollment and billing data.
2. Content of Notice. The Township and the Supplier 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 Supplier, and the rates to be charged. The Notice will also inform PIPP customers of the consequences of participating in the Aggregation, if any.

The Notice will provide a method for customers to opt out of the Aggregation Program. The Notice shall indicate that it is from the Township, and include the Township name and logo on the envelope. The Notice shall be signed by a duly-authorized representative of the Township.

Aggregation Members shall have 21 calendar days from the postmark date on the notice to mail the Opt-Out card back to the Supplier stating their intention to opt out of the Township Aggregation Program ("Opt-Out Period"). The Supplier 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 the Opt-Out Period. Upon receipt of an opt-out reply, the Supplier will remove the account from the Aggregation Program. The time to respond shall be calculated based on the postmark date of the notice to the customer and the postmark date of the customer's response.

After the expiration of the Opt-Out Period, the Member list shall become final. All customers who have not opted out will be automatically enrolled as Members 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 Supplier will work with the Township 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 Supplier.

3. Notification to ComEd. After the Opt-Out Notice period has expired, the Supplier shall submit the account numbers of participating Aggregation Members to ComEd and the rate to be charged to those members pursuant to the Power Supply Agreement. The Supplier will provide that information to ComEd in the format ComEd requires.

4. ComEd will then notify members that they have been switched to the Supplier and provide the member with the name and contact information of the Supplier. Members will have the option to rescind their participation in the program according to procedures established by ComEd and the Supplier.
- D. Activation of Service. Upon notification to ComEd, the Supplier will begin to provide electric power supply to the members of the Aggregation Program without affirmative action from the members. The service will begin on the member's normal meter read date within a month when power deliveries begin under the Aggregation Program.

E. Enrollments:

1. New Accounts. The Supplier must facilitate the addition of new member accounts to the Aggregation Program during the term of the Power Supply Agreement. Residents and businesses that move into the community after the initial Opt-Out Period will not be automatically included in the Aggregation Program. Members wishing to opt-in to the Aggregation Program may contact the Supplier to obtain enrollment information. All new accounts shall be entitled to the rates set forth in the Power Supply Agreement.
2. Re-Joining the Aggregation Group. After opting out, Members may rejoin the Program at a later date in the same manner as new residents moving into the Township. These members may contact the Supplier at any time to obtain enrollment information. All Members who re-join the Program shall be entitled to the rates set forth in the Power Supply Agreement.
3. Change of Address. Members who move from one location to another within the corporate limits of the Township shall retain their participant status, pursuant to Section VII.G.4 of this Plan.
4. The Supplier will establish procedures and protocols to work with ComEd on an ongoing basis to add, delete or change any member participation or rate information.

F. Member Services:

1. Program Management and Documentation: The Supplier must have standard operating procedures in place that govern Member education. Opt-out notification, Member inquiries, and public outreach regarding the Aggregation Program.
2. Member Inquiries.
 - a) Procedures for Handling Customer Complaints and Dispute Resolution. Concerns regarding service reliability should be directed to ComEd, billing questions should be directed to ComEd or the Supplier, and any unresolved disputes should be directed to the ICC.
 - b) Telephone Inquiries. The Supplier must 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 30 seconds when the connection is made. If the call needs to be transferred, transfer time shall not exceed 30 seconds. The Supplier shall submit reports to the Township at least once per quarter, indicating that it has met these standards at least 90 percent of the time under normal operating conditions during the preceding quarter.

- c) Internet and Email. The Supplier must establish and maintain a website for the Aggregation Members. The website will provide basic information concerning the Aggregation Program and will facilitate member inquiries by providing a platform for the submission of questions by email or text. Responses to inquiries submitted through the website platform must be generated within 24 hours.
 - d) Multilingual Services. The Supplier must provide customer service for Members requiring non-English verbal and written assistance.
 - e) Hearing Impaired. The Supplier must provide customer service for hearing impaired Members.
3. The Supplier will provide the Aggregation Members with updates and disclosures mandated by ICC and IPA rules.

G. Billing and Fees.

- 1. Collection and credit procedures remain the responsibility of ComEd and the individual Aggregation Member. Members are required to remit and comply with the payment terms of ComEd. The Township will not be responsible for late payment or non-payment of any Member accounts. Neither the Township nor the Supplier shall have separate credit or deposit policies for Members.
- 2. Early Termination. Members may terminate service from the Supplier without penalty if they relocate outside of the Township. Members who did not opt out of the Program during the Opt-Out Period and who later leave the Program for other reasons will not be assessed an early termination fee by the Supplier.
- 3. Enrollment Fee. No enrollment fees shall be charged by the Supplier.
- 4. Switching Fee. Members changing residency within the Township will not be assessed early termination or enrollment fees. If authorized, the Supplier shall continue service at the same rate and under the same terms and conditions for any Member who relocates within the Township prior to the expiration of the contract term, providing that the Member notifies the Supplier of his or her desire to do so with 30 days' notice. Moving within the Township may cause the Member to be served for a brief period of time by ComEd.

- H. Reliability of Power Supply: The Program will only affect the generation source of power. ComEd will continue to deliver power through their transmission and distribution systems.

Responsibility for maintaining system reliability continues to rest with ComEd. If Members have service reliability problems, they should contact ComEd for repairs. The ICC has established "Minimum Reliability Standards" for all utilities operating distribution systems in Illinois. Member outage duration of outages, interruptions, etc., are monitored to ensure reliability remains at satisfactory levels. In addition to maintaining the "wires" system, ComEd is required to be the "Provider of Last Resort," meaning that should the Supplier fail for any reason to deliver any or all of the electricity needed to serve the Members' needs, ComEd will immediately provide any supplemental electricity to the Members as may be required. ComEd would then bill the ARES for the power provided on their behalf, and the Members would incur no additional cost therefor.

IX. ADDITIONAL SERVICE TERMS AND CONDITIONS

- A. Member Education. The Supplier will maintain the minimum requirements outlined in Section V.6.
- B. Reporting. The Supplier will provide to the Township and to the Consultant the following reports:
1. Power :Mix Reporting. The Supplier will deliver quarterly reports to the Township 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 Township; (b) the electricity was supplied to the interconnected grid serving the Township.

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 Supplier will deliver reports that provide competent and reliable evidence to support the fact that it purchased properly certified REC's in accordance with Renewable Portfolio Standards in a sufficient quantity to offset the non-renewable energy provided in the mix. If determined by the Township Board, a report providing reliable evidence of the purchase of supplemental certified REC's will also be required.
 3. Aggregation Reports. The Supplier will provide the Township 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.
- C. Limitation of Liability. The Township shall not be liable to Aggregation Members for any claims, however styled, arising out of the aggregation program or out of any Township act or omission in facilitating the Township Aggregation Program.

X. INFORMATION AND COMPLAINT NUMBERS

Copies of this Plan will be available from the Township free of charge at www.palostownship.org or call Jim Seay (708) 352-7010 or (708) 598-4418 for more information.

Any electric customer, including any participant in the Township'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 at 217-782-5793.

ATTACHMENT A

RECORD OF AUTHORIZING VOTES FOR THE
REFERENDUM

BINDING PROPOSITION TO DETERMINE WHETHER PALOS TOWNSHIP SHOULD HAVE THE AUTHORITY TO ARRANGE FOR THE SUPPLY OF ELECTRICITY FOR ITS RESIDENTIAL AND SMALL COMMERCIAL RETAIN CUSTOMERS WHO DO NOT OPT OUT OF SUCH A PROGRAM

Shall the Palos Township 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 a program?

Precincts Counted	Registered Voters	Ballots Counted	%	Votes
9	7,519	951		

Yes Votes **477, or 50.16%**

No Votes **474, or 49.84%**

Jane Nolan
Town Clerk