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**ORDINANCE NO. 26-2012**

**AN ORDINANCE OF THE VILLAGE OF EVERGREEN  
PARK AUTHORIZING AN OPT-OUT AGGREGATION  
PROGRAM FOR ELECTRICAL SUPPLY SERVICE AND  
ADOPTING AN ELECTRIC POWER AGGREGATION PLAN  
OF OPERATION AND GOVERNANCE**

WHEREAS, Section 1-92 of the Illinois Power Agency Act, 20 ILCS 3855/1-92, (the "Act"), authorizes the Village of Evergreen Park (the "Village") to adopt and operate an electrical aggregation program as an opt-out program for residential and small commercial retail customers, if a referendum is passed by a majority vote of the residents pursuant to the requirements of the Act; and

WHEREAS, pursuant to resolution adopted by the Village, the proposition to authorize an opt-out aggregation program was submitted to the electors at the Consolidated Election on March 20, 2012; and

WHEREAS, a majority of the electors voting on the proposition voted in the affirmative and the County Clerk, after canvassing the election, has declared that the proposition did pass; and

WHEREAS, the Village President and Board of Trustees hereby find that it is in the best interest of the Village to operate an electric aggregation program (the "Aggregation Program") as an opt-out program and to implement the Aggregation Program according to the terms of the Act; and

WHEREAS, the Act requires that the Village must approve and develop a plan of operation and governance for the Aggregation Program so authorized; and

WHEREAS, the Village has provided notice of two public hearings and held two public hearings on the Aggregation Program and Plan as required by the Act.

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Board of Trustees of the Village of Evergreen Park, Cook County, Illinois, as follows:

**Section 1**

The Mayor and Board of Trustees hereby finds that all of the recitals contained in the preambles of this Ordinance are full, true and correct and does hereby incorporate them into this Ordinance by reference.

**Section 2**

There is hereby approved the operation of the Aggregation Program as an opt-out program for residential and small commercial retail customers. The Village shall enter into a power supply agreement with a retail electric supplier to provide competitively priced retail electrical supply service to implement the Aggregation Program. The Aggregation Program shall comply with all provisions of the Act, which are incorporated herein by reference.

**Section 3**

The Electric Power Aggregation Plan of Operation and Governance, in the form attached here, is hereby approved.

**Section 4**

This ordinance shall be in full force and effect after passage and approval as provided by law.

This ordinance was passed and deposited in the office of the Village Clerk of the Village of Evergreen Park this 1<sup>st</sup> day of October, 2012.



*Catherine T. Aparo*  
CATHERINE T. APARO, Village Clerk

APPROVED by me this 1<sup>st</sup>  
day of October, 2012.

*James J. Sexton*

JAMES J. SEXTON, Mayor

**VILLAGE OF EVERGREEN PARK  
ELECTRIC POWER AGGREGATION  
PLAN OF OPERATION AND GOVERNANCE**

I. DEFINITIONS

The following words and terms shall have the following meanings unless the context or use indicates another or different meaning:

“Act” means the Illinois Power Agreement Act which is 20 ILCS 3855/1-1 et seq.

“Agency” means the Illinois Power Agency.

“Aggregation Group” shall mean all the residential and small commercial retail customers of ComEd in the corporate limits of the Village that have not opted out of the Program and are permitted under the terms of the Act to participate in the Program.

“Aggregation Program” or “Program” means the program developed and implemented by the Village, as a Municipal Aggregator under the Act, to provide ComEd residential and small commercial retail customers in the Village with retail electric generation services.

“ComEd” means Commonwealth Edison Company, an affiliate of Exelon Corporation.

“Commission” means the Illinois Commerce Commission.

“Consultant” means an independent company with experience in municipal aggregation contracted with by the Village to advise and assist the Village in the development of the Aggregation Program.

“Corporate Authorities” means the Mayor and Board of Trustees of the Village.

“Municipal Aggregator” means the Village operating an Aggregation Program under the legislative authority granted the Village to act as an aggregator to provide a competitive retail electric service to residential and small commercial retail customers of ComEd in the Village. Pursuant to the Act, an Aggregator is not a public utility or an alternative retail electric supplier.

“Member” means a person or legal entity enrolled in the Village Municipal Aggregation Program for competitive retail electric services and a member of the Aggregation Group.

“Plan” means the Plan of Operation and Governance adopted by the Village pursuant to Ordinance No. 26-2012.

“Power Supply Agreement” means the Agreement entered into by the Village under the Aggregation

Program as an opt-out program for residential and small retail customers for the purchase of electricity from a Retail Electric Supplier.

"Retail Electric Supplier" or "RES" means an entity certified by all required authorities of the State of Illinois to provide competitive retail electric supply service, and which is duly selected by the Village to be the entity responsible to provide the required retail electrical supply service related to an Aggregation Program, Village ordinances and applicable rules and regulations of any authorized agency of the State of Illinois and has duly executed a Power Supply Agreement with the Village.

"Village" means the Village of Evergreen Park, Cook County, Illinois.

## II. INTRODUCTION

The Act allows the Corporate Authorities of the Village to pass an ordinance to aggregate electrical loads for residential and small commercial retail customers within the corporate limits of the Village on an opt-out or opt-in program. The Act further authorizes the Village to select a Retail Electric Supplier of retail electric supply, solicit bids and enter into Power Supply Agreements to facilitate the sale and purchase of electricity and related services.

Large industrial and commercial consumers with sophisticated electric operations use their size and expertise to obtain lower electric power rates. Individual residential and small commercial retail consumers are typically unable to obtain significant price reductions since they lack the same bargaining power, expertise and the economies of scale enjoyed by larger consumers.

Through an Aggregation Program the Village combines the electrical loads of residential and small commercial retail customers to obtain economic benefits of Illinois' competitive retail electric market. The Village's Aggregation Program combines the electric loads of residential and small commercial retail customers to form the Aggregation Group with the Village acting as the purchasing agent therefor. The Village will be a Municipal Aggregator and shall act on behalf of ComEd to obtain the best Aggregation Program for the Members of the Aggregation Group.

## III. PROCESS

At the General Primary Election on March 20, 2012, the voters of the Village approved a referendum proposition to operate an Aggregation Program as an opt-out program. Under the opt-out program, all ComEd residential and small commercial retail customers in the Village are automatically included as participants in the Program unless they opt-out of the Program by providing written notice of their intention not to participate as a part of the Aggregation Group. The Village passed Ordinance No. 26-2012 on October 1, 2012 adopting this Plan.

The Village will promptly file any application and comply with any applicable rules and regulations that may be required by Illinois law, the Agency, the Commission, and the Act for certification as a Municipal

Aggregator and to operate the Aggregation Program. Before adopting this Plan, the Corporate Authorities duly published a legal notice once a week for two consecutive weeks in a newspaper of general circulation within the Village giving notice of the two public hearings which have been conducted by the Village.

The public hearings were held by the Corporate Authorities and provided the residents of the Village a meaningful opportunity to be heard regarding the Aggregation Program and this Plan. The Corporate Authorities considered the concerns of the residents and information disclosed at the hearings in the development of this Plan. The Village has determined to proceed with the Aggregation Program as an opt-out program for all residential and small retail customers within the Village. Accordingly, an opt-out notice shall be provided to all residential and small retail customers in advance advising that they have the right to opt out of the Aggregation Program. The disclosure shall prominently state all charges to be made and shall include full disclosure of the cost to obtain service pursuant to Section 16-103 of the Public Utilities Act, how to access it, and the fact that it is available to them, without penalty, if they are currently receiving service under that Section.

The Corporate Authorities may select a Retail Electric Supplier to provide the electric power for the Aggregation Program according to the terms of a Power Supply Agreement entered into by and between the Retail Electric Supplier and the Village. The Village may determine not to enter into a service agreement with any Retail Electric Supplier and in such event the Aggregation Group shall continue to purchase electric power through ComEd. If the Corporate Authorities enter into a Power Supply Agreement, ComEd will continue to provide and service delivery of the electricity purchased from the Retail Electric Supplier, and metering, repairs and emergency service will continue to be provided by ComEd. The Corporate Authorities have determined that each participant in the Aggregation Group shall receive a single monthly bill from ComEd under applicable tariffs.

#### IV. OPERATIONAL PLAN:

The Village may use a Consultant to advise and assist in the Aggregation Program. If a Consultant is employed, the Consultant shall enter into a written contract with the Village which shall be approved by the Corporate Authorities. The contract with the Consultant shall provide that the Consultant shall be compensated by the Retail Electric Supplier who is ultimately chosen by the Village. The Consultant shall be in a fiduciary relationship with the Village and shall maintain confidentiality as required by law. The Consultant shall not act directly as an agent for any Retail Electric Supplier.

The Consultant shall develop internal controls and processes to ensure that the Village remains in good standing as a Municipal Aggregator and ensure that the Village and the Aggregation Program complies with the Act and all applicable laws, rules and regulations. The Consultant shall also develop a process to monitor and shall promptly notify the Village in writing of any changes or amendments to the Act or any laws, rules or regulations applicable to the Aggregation Program.

The Village will use an authorized Retail Electric Supplier to perform and manage aggregation services for Members of the Aggregation Program. The Retail Electric Supplier shall provide adequate, accurate, and understandable pricing, terms and conditions of service, including but not limited to no switching fees and the conditions under which a Member may opt-out without penalty. The Retail Electric Supplier must provide the Village, upon request, an electronic file containing the Members usage, charges for retail supply service and such other information reasonably requested by the Village.

The Retail Electric Supplier shall create and maintain a secure database of all Members. The database will include the name, address, ComEd account number, and Retail Electric Suppliers' account number of each active Member, and other pertinent information such as rate code, rider code, most recent 12 months of usage and demand, and meter reading cycle. The database will be updated at least quarterly. The Retail Electric Supplier will develop and implement a program to accommodate Members who (i) leave the Aggregation Group due to relocation, opting out, or for other reasons; (ii) decide to join the Aggregation Group; (iii) relocate anywhere within the corporate limits of the Village, or (iv) move into the Village and elect to join the Aggregation Group. This database shall also be capable of removing a Member from the Aggregation Group who has duly opted out of the Program. The Retail Electric Supplier will use this database to perform audits for clerical and mathematical accuracy of Member electric supply bills. The Retail Electric Supplier will make the database available to the Village at any time the Village requests it.

The Retail Electric Supplier shall develop and implement an educational program that generally explains the Aggregation Program to all residential and small commercial retail customers in the Village and the Aggregation Group, provides updates and disclosures mandated by Illinois law and applicable rules and regulations, and implements a process to allow any Member the opportunity to opt out of the Aggregation Program according to the terms of the Power Supply Agreement.

The Retail Electric Supplier shall hire and maintain an adequate customer service staff and develop and administer a written customer service process that will accommodate Member inquiries and complaints about billing and answer questions regarding the Aggregation Program in general. This process will include a description of how telephone inquiries will be handled, either internally or externally, how invoices will be prepared, how Members may remit remittance payment, and how collection of delinquent accounts will be addressed.

ComEd will provide a monthly billing statement to each Member which shall include the charges of the Retail Electric Supplier. The Retail Electric Supplier will not charge any administrative fee or billing charge except as specifically authorized in the Power Supply Agreement.

It will be the Retail Electric Supplier's responsibility to timely deliver reports at the request of the Village that will include (i) the number of Members participating in the Program; (ii) a savings estimate or increase from the previous year's baseline; (iii) such other information reasonably requested by the Village; (iv) comparison of the Members' charge for the supply of electricity from one designated period to another identified by the Village.

The residential and small commercial retail customers of ComEd in the Village that do not opt-out of the Aggregation Program will be enrolled automatically in the Aggregation Program by a Retail Electric Supplier. Members of the Aggregation Group will not be asked to take affirmative steps to be included in the Aggregation Group. To the extent that ComEd requires notification of participation, the Retail Electric Supplier shall provide such notice to ComEd. The Retail Electric Supplier will inform ComEd from time to time through electronic means of any new members enrolled into the Aggregation Group.

The process of soliciting bids for electricity and related services and awarding the Power Supply Agreement shall be conducted by the Corporate Authorities and may include the use of a Consultant. Any Power Supply Agreement shall be authorized by the Corporate Authorities, shall be in writing, and shall comply with the terms of the Act.

The Village may require the Retail Electric Supplier to satisfy each of the following requirements in the Power Supply Agreement:

- Have sufficient sources of power to provide retail firm power to the Aggregation Group
- Maintain a license as a Federal Power Marketer with the Federal Energy Regulatory Commission.
- Maintain a certification from the State of Illinois as a certified retail electric supplier and any and all other licenses or certifications required by Illinois law.
- Register as a retail electric supplier with ComEd.
- Maintain a Service Agreement for Network Integration Transmission Service under Open Access Transmission Tariff.
- Maintain the necessary corporate structure to sell retail firm power to the ComEd residential and small commercial retail customers in the Village and the Aggregation Group.
- Maintain an Electronic Data Interchange computer network that is fully functional at all times and capable of handling the ComEd residential and small commercial retail electric customers in the Village and the Aggregation Group.
- Maintain the marketing ability to reach all ComEd residential and small commercial retail customers in the Village to educate them on the terms of the Aggregation Program and the Act.
- Maintain a call center capable of handling calls from Members of the Aggregation Group.
- Maintain a local or toll-free telephone number for customer service and complaints related to the Village's Aggregation Program.

## VI. LIABILITY

The Village shall not be liable to participants in or Members of the Aggregation Group for any claims or damages arising out of the Aggregation Program, the provision of electricity by the Retail Electric Supplier, or the failure to provide electricity or any services under the Power Supply Agreement. Members in the Aggregation Group shall assert any such claims solely against the Retail Electric Supplier which has entered into the Power Supply Agreement.

## VII. INFORMATION AND COMPLAINT NUMBERS

Copies of this Plan shall be available free of charge. Members, residential retail customers, and small commercial retail customers may contact the Village at 708-422-1551 to obtain a copy of this Plan or for more information.

Approved October 1, 2012.