

ATTACHMENT NO. IX-I: Proposal to Participate in the Illinois Energy Consortium (IEC) for providing Electric Services

Potential motion: Move to approve membership and Participation in the Illinois Energy Consortium (IEC) Electric Program

Recommended action: Approve the motion

The District's agreement with MidAmerican for electric ends December 2011. Historical commodity costs were reviewed based upon consumption and rates from the present provider (MidAmerican) and IEC (Illinois Energy Consortium). Beginning immediately with the TAC building, a savings of approximately \$200 will be seen prior to year end. It is estimated that savings over the next fiscal year could surpass \$20,000. The IEC has locked their prices thru May 2014.

IEC is a joint program sponsored by the Illinois Association of School Boards (IASB), Illinois Association of School Administrators (IASA), and Illinois Association of School Business Officials (IASBO). The IEC board has nine directors with three directors from each of these associations. Currently there are over 500 members with 1 Billion kWh of annual usage.

The membership commitment would be for a three year period. Renewals are a 90 day notice with a roll-over for one year at a time.

Based upon estimated savings with current consumption, it is recommended that the Board approve membership and participation in the Illinois Energy Consortium Electric program.

We are also working to try to get IEC to work with the Village of Poplar Grove to reduce their electrical costs.

**ILLINOIS ENERGY CONSORTIUM,  
AN ILLINOIS NOT-FOR-PROFIT CORPORATION**

**MEMBERSHIP AND PARTICIPATION AGREEMENT**

This AGREEMENT, dated this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, is entered into by and between the ILLINOIS ENERGY CONSORTIUM, AN ILLINOIS NOT-FOR-PROFIT CORPORATION, (the "IEC") and \_\_\_\_\_, a "public agency" as defined in the Illinois Intergovernmental Cooperation Act (the "PUBLIC AGENCY").

IT IS AGREED:

1. The PUBLIC AGENCY is a member and a participant in the IEC, and may enjoy all the privileges associated therewith. The PUBLIC AGENCY recognizes that the IEC is governed in accordance with its Articles of Incorporation, Bylaws, and the resolutions of its Board of Directors. The PUBLIC AGENCY shall cooperate with the IEC and shall furnish all energy-related information requested by the IEC.
2. The IEC's Program Administrator will act as the PUBLIC AGENCY'S contracting agent for obtaining electricity for the PUBLIC AGENCY'S use. The IEC's Program Administrator will, as agent for the PUBLIC AGENCY, contract for the supply of electricity with the party(ies) specified by IEC and under terms specified by IEC. The Program Administrator will use its best efforts to arrange the most cost effective delivery and management of electric supply for the PUBLIC AGENCY. The Program Administrator will provide to the PUBLIC AGENCY, and the PUBLIC AGENCY will pay, a single monthly statement consolidating all electricity charges, which include supply and delivery bills, IEC administrative charges, assessments and dues.
3. The PUBLIC AGENCY names the IEC's Program Administrator as its Retail Electric Supplier as evidenced by the signed Letter of Agency, attached to and incorporated into this Agreement. The PUBLIC AGENCY authorizes only those meters identified in the attached Letter of Agency to participate in the IEC. The PUBLIC AGENCY may at any time authorize IEC participation for any existing or new meter by completing additional Letter(s) of Agency that will be attached to and incorporated into this Agreement. This Agreement's length is not affected by the inclusion of meters after the date this Agreement is executed.
4. The IEC may impose assessments and dues on the PUBLIC AGENCY as a condition of continued membership and participation whenever, in the sole discretion of the IEC, such assessments and dues are required to finance the IEC's operations.
5. The PUBLIC AGENCY agrees to participate in IEC for an initial three-year period beginning on the date stated in the first sentence of this Agreement. Additional years of participation will automatically renew thereafter unless one party gives the other written notice 90 days prior to the renewal anniversary date by providing a written or faxed notification to the IEC at the following: ***Illinois Association of School Business Officials, Northern Illinois University IA-103, DeKalb, IL. 60115. Phone: 815/753-9840, Fax: 815/753-9367, e-mail: iec@niu.edu.***
6. The PUBLIC AGENCY'S membership and participation in IEC may be terminated under rules set forth in IEC's Bylaws or as otherwise established by the Board of Directors.

7. The PUBLIC AGENCY authorizes any of its electric suppliers to release to the IEC, its energy adviser and Program Administrator any energy-related information as requested by the IEC, including all utility billing and use information.
8. The PUBLIC AGENCY agrees to name an individual as its designee for purposes of coordinating its affairs with the IEC.
9. The PUBLIC AGENCY remains solely responsible for all payments and liabilities arising out of, or made in connection with, its electricity use whether or not obtained through the IEC. The IEC is not responsible for the actions of the Program Administrator or any of its authorized subcontractors providing services to PUBLIC AGENCY, nor is it responsible for the actions of Participant.
10. This Agreement and the attached Letter of Agency contain all of the terms agreed upon by the parties with respect to the subject matter of this Agreement and supersede all prior agreements, amendments to agreements, arrangements and communications between the parties concerning such subject matter, whether oral or written, except as specifically provided otherwise in this Agreement.

IN WITNESS WHEREOF, the PUBLIC AGENCY and IEC have each caused this Agreement to be executed by their duly authorized representatives.

**ILLINOIS ENERGY CONSORTIUM,  
AN ILLINOIS NOT-FOR-PROFIT  
CORPORATION**

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

Its: \_\_\_\_\_

Dated: \_\_\_\_\_

**PUBLIC AGENCY**

\_\_\_\_\_  
School District Name and Number

\_\_\_\_\_  
Street Address

\_\_\_\_\_, IL

City Zip

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

Its: \_\_\_\_\_

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

Its: \_\_\_\_\_

Dated: \_\_\_\_\_

This Agreement passed by resolution of  
the PUBLIC AGENCY on

\_\_\_\_\_

**NON-RESIDENTIAL DESIGNATION OF GENERAL ACCOUNT AGENT**

As provided for in the tariffs of Commonwealth Edison Company (“ComEd”), Customer hereby designates the following third-party **AMEREN ENERGY MARKETING COMPANY** to act as Customer’s General Account Agent (“General Account Agent”) for all purposes in arranging and managing tariffed services provided by ComEd in regard to the Account number(s) listed on the back of this form. ComEd may rely and act on any and all representations and requests made by General Account Agent on behalf of Customer as if made by Customer directly, except that General Account Agent shall not have authority to request that ComEd release prior credit history or disconnect service.

Mail all bills and correspondence to this address:	General Account Agent contact information:
<u>Ameren Energy Marketing Company</u>	Contact Name: <u>AEM Customer Care Team</u>
<u>Supervisor of Operations, MC 955</u>	Phone Number: <u>888-451-3911, opt 3</u>
<u>PO Box 66712</u>	Fax Number: <u>888-354-9837</u>
<u>St. Louis, MO 63166</u>	Email: <u>AEMCustomerCare@ameren.com</u>

Customer acknowledges that General Account Agent is an agent of Customer, not of ComEd. Customer acknowledges that ComEd will send all bills and notices, including notices prior to disconnection, to General Account Agent. Customer may or may not receive such notices directly from ComEd in the future. ComEd is not a party to, and shall not be bound by, the agreement(s) between Customer and General Account Agent. The use of a General Account Agent does not amend, modify, or alter ComEd’s tariffs or any contracts between ComEd and Customer. General Account Agent has no authority to enter into any agreement on behalf of ComEd or to amend, modify, or alter any of ComEd’s tariffs, contracts, or procedures, or to bind ComEd by making any promises, representations, or omissions. This Designation of General Account Agent shall be valid until Customer or General Account Agent provides ComEd with written notice of its termination or until this Designation is otherwise terminated in accordance with ComEd’s tariffs.

The designation or use of a General Account Agent does not affect Customer’s responsibilities to timely pay ComEd all amounts due and perform and satisfy all other obligations applicable to Customer. Customer shall remain liable to timely pay ComEd for all balances due for services rendered by ComEd and all other balances owed ComEd, even if General Account Agent fails to remit to ComEd amounts paid by Customer to General Account Agent for remittance to ComEd. Customer shall be responsible to protect its interests with General Account Agent. The appointment of General Account Agent shall not give Customer or General Account Agent any additional rights beyond those Customer would have under ComEd’s tariffs and any agreements between ComEd and Customer. ComEd shall not be required to perform services for General Account Agent as agent of Customer that ComEd does not perform for Customer.

ComEd will begin processing this Designation of General Account Agent form on the ‘Requested ComEd Processing Date’. This may take one to 10 business days.

_____
Customer’s Name (as it appears on ComEd bill)
_____
Date
_____
Signature of ComEd Customer (not agent)
_____
Title of ComEd Customer Signing this form





7. The PUBLIC AGENCY authorizes any of its electric suppliers to release to the IEC, its energy adviser and Program Administrator any energy-related information as requested by the IEC, including all utility billing and use information.
8. The PUBLIC AGENCY agrees to name an individual as its designee for purposes of coordinating its affairs with the IEC.
9. The PUBLIC AGENCY remains solely responsible for all payments and liabilities arising out of, or made in connection with, its electricity use whether or not obtained through the IEC. The IEC is not responsible for the actions of the Program Administrator or any of its authorized subcontractors providing services to PUBLIC AGENCY, nor is it responsible for the actions of Participant.
10. This Agreement and the attached Letter of Agency contain all of the terms agreed upon by the parties with respect to the subject matter of this Agreement and supersede all prior agreements, amendments to agreements, arrangements and communications between the parties concerning such subject matter, whether oral or written, except as specifically provided otherwise in this Agreement.

IN WITNESS WHEREOF, the PUBLIC AGENCY and IEC have each caused this Agreement to be executed by their duly authorized representatives.

**ILLINOIS ENERGY CONSORTIUM,  
AN ILLINOIS NOT-FOR-PROFIT  
CORPORATION**

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

Its: \_\_\_\_\_

Dated: \_\_\_\_\_

**PUBLIC AGENCY**

\_\_\_\_\_  
School District Name and Number

\_\_\_\_\_  
Street Address

\_\_\_\_\_, IL  
City Zip

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

Its: \_\_\_\_\_

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

Its: \_\_\_\_\_

Dated: \_\_\_\_\_

This Agreement passed by resolution of  
the PUBLIC AGENCY on

\_\_\_\_\_



# IEC Electric Program

For accounts behind ComEd or Ameren Illinois Utilities

## What is the IEC Electric Program?

- The IEC provides electric supply and administration to help member organizations control costs and achieve budget goals.
- Membership is open to all public schools districts, private schools, junior colleges and community colleges served by ComEd or one of the Ameren Illinois utilities (AmerenCIPS, AmerenCILCO and AmerenIP)
- Membership includes more than 450 school districts serving 1500+ accounts with 1 Billion kWh in annual usage.

## Reasons to Join the IEC Electric Program

- Increase your purchasing power in the market by leveraging the size of the entire group to ensure the best possible price for electricity.
- Experts you can trust. The IEC contracts with an Independent Energy Consultant so all purchasing decisions are made by experts in the field charged with doing what is right for schools so more money is available for students.
- A dedicated Account Manager is responsible for managing your accounts and addressing questions or concerns you have at any time.

## A Proven Track Record

- In the past ten years the IEC has helped Illinois schools save more than \$30 million dollars. Instead of spending that money on electricity, member districts have been able to retain faculty, fund programs and further enhance the educational experience for Illinois students.

## Questions?

Contact: *Tonya Powell*, IEC Electric Program Administrator,  
Ameren Energy Marketing, 314-613-9120 or [tpowell2@ameren.com](mailto:tpowell2@ameren.com)

## Who is the IEC?

The Illinois Energy Consortium (IEC) is a joint energy purchasing consortium sponsored by IASB, IASA and IASBO. It was developed to help schools combine their purchasing power and secure the lowest, most cost-effective energy supply possible. For more information go to: [www.illec.org/electric.html](http://www.illec.org/electric.html)

## Who is Ameren Energy Marketing?

Ameren Energy Marketing (AEM) is one of the largest energy marketers in the U.S. with a portfolio of more than 6,000 megawatts of competitive generation.

AEM has been the Electric Program Administrator for the IEC for over ten years.

We are part of **Ameren Corporation**, a Fortune 500 company





# When is an Apple a Lemon?

The deregulation of the electric utility industry in Illinois has provided opportunity for you to choose when, where, and how you buy the electric energy that helps run your district. But, Choice means you have decisions to make and these aren't always easy. Here's a guide to help you know that when you finish trying to compare apples to apples, that the apple you choose won't be a lemon after you receive the first bill.

**When you receive offers from more than one supplier, the first thing you notice is that they represent a range of prices, but the lowest price isn't always the lowest price. Here's an example, using an actual customer:**

	Offer #1	IEC
Energy	4.789¢/kwh	3.974¢/kwh
Capacity	Pass Thru	0.896¢/kwh
Distribution Losses	Pass Thru	0.242¢/kwh
Transmission & Ancillaries	0.596¢/kwh	0.596¢/kwh
RPS	Pass Thru	included
Other RTO Charges	Pass Thru	0.225¢/kwh
How Much will you pay?	<b>5.385 + ???</b>	<b>5.933¢/kwh</b>

Some suppliers may propose a price that appears to be lower than other offers you receive. They just pass through charges that are required by the utility, such as capacity, transmission and distribution losses. The IEC has purchased a product that fixes most of these costs and works closely with the supplier to ensure that pass through charges are only that – passed through with no hidden fees or “adders”. This can pay off in huge savings for your district. In the example above, the true price for Offer #1 came out to be closer to 6.848¢/kwh.

*For more information, contact:*

*Tonya Powell*

*IEC Electric Program Administrator*

*Ameren Energy Marketing Company*

*888-451-3911 opt. #2*

*888-354-9837 fax*

*tpowell2@ameren.com*

