





City of Chicago  
Electric Aggregation Program



**AUTOMATIC AGGREGATION**  
**Electricity Purchase and Sale Terms and Conditions**

The City of Chicago ("City"), pursuant to the aggregation authority conferred upon it by referendum and ordinance, selected Integritys Energy Services, Inc. ("Seller") to supply the aggregation, and entered into a Power Supply Agreement with Seller ("Program Agreement"). You, the account holder ("Buyer") for each eligible account at the service address referenced on the letter accompanying (the "Account(s)") this document, and Seller agree to this Electricity Purchase and Sale Terms and Conditions ("Agreement") as of January 10, 2013 ("Effective Date"). Seller and Buyer are individually referred to as "Party" and collectively as "Parties".

**1. Enrollment:**

a. **Opt-Out:** Enrollment is automatic for those who are eligible, but participation is voluntary. **IF YOU DO NOT WISH TO PARTICIPATE, YOU MUST OPT-OUT NO LATER THAN JANUARY 9, 2013 BY (i) RETURNING THE POSTCARD POSTMARKED NO LATER THAN JANUARY 9, 2013, (ii) BY CALLING 1-888-802-2885 or (iii) BY OPTING OUT ON SELLER'S WEBSITE AT WWW.INTEGRITSENERGY.COM/IL-CHICAGO.**

b. **Eligibility:** To be eligible for automatic aggregation, Buyer and the Accounts to be served (i) must be located within the City's jurisdictional boundaries, (ii) must be served by Commonwealth Edison (the "Utility") on a residential or small commercial rate class (0-100kW or Watt Hour) provided such small commercial Account consumes less than 15,000 kWh annually, and (iii) may not be under contract with another competitive supplier, on the Utility's real-time pricing, on bundled hold with the Utility, or franchised service with a municipal account.

c. **Term:** This Agreement shall become binding on the Effective Date, provided however, the obligation of Seller to sell and schedule electricity for delivery to Buyer and the obligation of Buyer to purchase, take and pay for electricity is contingent upon: (i) successful enrollment by the Utility and (ii) the passage of the Rescission Period (defined in Section 2) without effective cancellation by Buyer. Successful enrollment by the Utility is dependent upon (1) the eligibility of Buyer's Accounts, as determined by the Utility, to take from a retail electric supplier and to participate in the Utility's purchase of receivables program (including service class and past payment history), and (2) the accuracy and completeness of any information submitted by Buyer. Subject to the foregoing, service will commence on meter read dates in **February 2013** and shall remain in effect through the **May 2015 meter read** ("Initial Term"), unless terminated pursuant to the terms of this Agreement.

2. **Rescission Period:** Buyer may rescind this Agreement by contacting Seller before Seller submits the enrollment request to the Utility. Buyer may rescind the Agreement and the pending enrollment within 10 calendar days after the Utility processes the enrollment request by contacting (i) Seller or the Utility, if Buyer is a residential customer or (ii) Seller, if Buyer is a nonresidential customer.

**3. Price:**

5.424 ¢ PER KWH

a. **Fixed Rate:** For the Initial Term, Buyer shall pay the applicable Fixed Rate multiplied by the billing cycle usage for the Account(s). From the start of the Initial Term through the May 2014 meter read, the Fixed Rate is 5.424¢ per kWh. No later than 30 days prior to the May 2014 meter reads, Seller shall send Buyer notice of any changes to this Agreement and the new Fixed Rate applicable for the May 2014 meter reads through the end of the May 2015 meter reads that will have been negotiated with the City pursuant to the Program Agreement, provided however, if no such price is agreed upon by the City and Seller then Seller reserves the right to terminate this Agreement effective with the May 2014 meter reads with notice to Buyer. Both Parties recognize that components of the Fixed Rates include electric tariff charges that are authorized by the Illinois Commerce Commission, PJM, the Federal Energy Regulatory Commission, and/or any other state or governmental agency having jurisdiction. Any increase in these charges after the Effective Date may be directly passed through to Buyer by a corresponding increase in the applicable Fixed Rate. In addition, Seller reserves the right to increase the Fixed Rate as a result of (i) costs associated with the City's requiring of Seller's receipt of assignment of certain bilateral agreements pursuant to the Program Agreement and (ii) costs associated with the City's required reimbursement of administrative fees, enhanced environmental costs or other program costs pursuant to the Program Agreement.

b. **Switching Fees:** While Seller does not charge Buyer a separate fee to switch to Seller's service, if Buyer is currently receiving electricity pursuant to an agreement with an alternative retail electric supplier, that supplier may charge Buyer for switching electricity providers. If the Utility charges a fee for enrolling the Account to Seller's service, Seller will reimburse Buyer for any such fees.

c. **Price Match:** If the Program Price to Compare is set below the Fixed Rate during the Initial Term of this Agreement only, Seller shall either (i) reduce the Fixed Rate to match the Program Price to Compare or (ii) terminate this Agreement. "Program Price to Compare" shall mean (1) the Utility's "Price to Compare" for the single family, non-space heating class, as posted on the ICC website ([www.pluginillinois.org](http://www.pluginillinois.org)) (which includes the Utility's electric supply charge, plus the Utility's transmission services charge but not distribution charges or the purchased electricity adjustment) plus (2) costs associated with the City's requiring of Seller's receipt of assignment of certain bilateral agreements and costs associated with the City's required reimbursement of administrative fees, enhanced environmental costs or other program costs, all pursuant to the Program Agreement. Seller shall not be required to match if the Utility's Price to Compare ceases to exist or becomes a market-based rate as a result of a regulatory action. If Seller terminates this Agreement pursuant to this section 3(c), Seller shall not be liable for any damages or penalties resulting from Buyer's return to the Utility's service or to another retail supplier, including claims relating to the price received from the Utility or the alternate supplier being higher than the Fixed Rate herein.

**4. Renewal:**

a. **New Term:** If the City and Seller agree to renewal terms, between 30 and 60 days prior to the end of the Initial Term or a Renewal Term (whichever is in effect, hereinafter the "Current Term"), Seller may send Buyer an offer for a Renewal Term. This offer will include, without limitation, the new pricing, any applicable early termination fees, and the Renewal Term ("Offer"). In the event Seller does not receive Buyer's rejection of the Offer within 14 days, the Offer will be deemed accepted by Buyer without the need for further signature or other affirmative action by Buyer. If Buyer rejects the Offer in the manner directed in the Offer, Buyer's Accounts will be returned to Utility service at the end of the Current Term.

b. **Billing Cycle-to-Billing Cycle:** If the City and Seller do not agree to renewal terms but agree that Seller may continue to serve on a billing cycle-to-billing cycle basis, service to the Accounts will continue on a billing cycle-to-billing cycle basis at a rate at or below the Price to Compare until (a) the City provides 30 day notice of termination on behalf of Buyer or (b) Buyer provides notice of termination.

c. **No Renewal:** If the City and Seller do not agree to renewal terms and do not agree that Seller will continue to serve on a billing cycle-to-billing cycle basis, Buyer's Accounts shall be returned to the Utility at the end of the Current Term.

5. **Billing and Payment:** Buyer will be invoiced for Seller's charges and the Utility's delivery charges by the Utility on the invoice(s) Buyer receives from the Utility, and such billing and payment shall be subject to the applicable Utility rules regarding billing and payment procedures. Seller's charges or credits not invoiced through

March 18, 2013

To our honorable state senators of the energy and technology committee.

My name is Thomas Maher, a Michigan resident of Linden (Rep Joseph Graves – Dist #51 and vacant Senate seat Dist #27)

Being 61 years old, I'm a decades long Consumers Energy electricity customer, not by my choice but by state law, a state created monopoly. I have no options to save money on my severely over- priced electricity till you act on my behalf, till you act wisely for the many millions of citizens handcuffed to the legal monopolies of Consumers Energy and DTE created by State of MI legislators.

I'm also president of an alternative gas and electric company from Flint called Consumer Energy Options, LLC., have 350 associates selling gas and electricity in 35 states, so I feel well qualified to speak on electricity to you today as a citizen and as a businessman.

I have a handout with my business card, and two sheets. In my brief moments before you, I'd like to point out what I'm expect many of you do not know, and that s that the largest 'community aggregation' deal in the history of America electricity went down recently in Chicago. Community Aggregation, active in states such as Ohio and Illinois, allows cities, townships, counties to buy electricity on behalf of its citizens. When the referendum is put to a vote, and it passes, the city council/mayor is authorized to competitively bid out to multiple electric suppliers for a fixed electricity price for everyone in their city, replacing the local public utility for the supply, or energy, or juice. The local public utility will continue to deliver and service their power lines as always.

So the first page handout is from the Citizens Utility Board, a non profit citizens watch group in Illinois since 1984 that keeps an eye on electric utilities and suppliers, protecting Illinois citizens, informing them of both good and bad practices. Their December 18 article talks about Chicago Mayor Rham Emmanuel buying electricity for 1 million Chicago citizens, effective Feb 2013 for 27 months at a price of **5.42 cents per kwh**, when local public utility Commonwealth Edison currently charges over 8 cents, a **35% reduction in electric supply rates**.

This is a monster size savings of Chicagoans. This is an example of what you men and women can do for your constituents, for Michigan residents and businesses if you support Deregulation of Electricity. (SB 1035 – Sen. Shirkey)

Do something simple. Do something right. For heaven's sakes, there are nearly 11,000 businesses waiting for you to act on their behalf since the 10% release Michigan opened up with Gov. Granholm's PA 286 in Oct 2008, that sold out in about 12 months. (yes, I said 11,000 companies in the official que lines updated daily inside Consumers Energy and DTE's public websites, just waiting for you to do the right thing.

I have 25 associates selling electricity in Chicago, all day long for 4-6 cents. Yet in Michigan, I can pull from my briefcase an electric bill for Courtland Center, a mall in Flint, from this summer paying over 9 cents a kwh on a \$100,000 plus invoice. Over \$1,200,000 dollars a year at 9 cents, and yet a little girl above a tavern in Chicago with a \$40 electric bill now pays 5.42 cents!! Why? Why? Because Illinois state legislators knew 10 years ago that 'legal monopolies' make no sense for anyone but the guy with the monopoly. Wouldn't you like to be the only car dealer in the state of Michigan?! Business owners and residents I talk to all day long don't understand 'legal monopolies'. Some of them say it sounds like Russia owning all the natural gas wells- a state owned monopolistic industry. Every other single expense item on their budget they can price shop and compare, everything but their electric bill. Why? How would you explain it to them why you don't believe in the American way of competition and free enterprise.

The second page is from the City of Chicago's website, the actual contract with Integrys Energy (one of the companies I sell). Google City of Chicago Community Aggregation' and you'll get a wealth of information.

By the way, over 400 cities in Illinois have done this also, 125 Chicago suburbs, nearly all of them. And please don't let the Public Utilities tell you if they lose customers, they'll have to make the ones who stay pay more, they public utilities like to make it sound like they'd go out of business if they lose some customers. Well Commonwealth Edison of Chicago lost 1 million customers for supply at the stroke of midnight Feb 1, and they are still doing just fine. I mean, maybe their executives may have to back down their multi-million dollar salaries somewhat. They sure don't have to charge the 80 year old lady more money.

Lastly, I personally find it sad to hear the two public utilities come down and continue to beg for their 'legal monopoly' to be kept in place. Yet DTE goes down to Ohio and other states where deregulation exists, where competition reigns, and they will sell their electricity there for 20-25% less than they charge