

## MEMORANDUM

July 1, 2020

TO: Mayor John P. Kahl and Members of the City Council

FROM: Scott A. Brunton, City Attorney's Office

SUBJECT: Resolutions for City's Energy Aggregation Program:  
(1) Approving Amendment to Plan of Governance for City's Energy Aggregation Program  
(2) Approving Electricity Supply Contract with Homefield Energy for City's Energy Aggregation Program

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### DISCUSSION:

The City has previously established an opt-out energy aggregation program for supplying electricity to residential and small commercial customers in the City after this program was approved by voter referendum in March 2012 (the "Energy Aggregation Program"). At this time, the City is taking action to approve two Resolutions related to the City's Energy Aggregation Program.

First, the Plan of Governance for the Energy Aggregation Program is being amended to include the assessment of a civic contribution fee that is authorized under State statutes and regulations governing these energy aggregation programs. The City has assessed this civic contribution fee in the past, and this Resolution formally amends the City's Plan of Governance for the Energy Aggregation Program to include this civic contribution fee.

The second Resolution ratifies the Mayor's recent execution of an electricity supply contract with Homefield Energy for supply electricity to residential and small commercial customers participating in the City's Energy Aggregation Program for the 18-month period from December 2020 to June 2022. Due to the short time frame for accepting supply contracts in the energy sector, the City has previously authorized the Mayor to accept electricity supply contracts on behalf of the City. This Resolution formally approves the City's acceptance of this electricity supply contract with Homefield Energy for the City's Energy Aggregation Program.

RECOMMENDATION: Approval of these Resolutions.

**RESOLUTION NO. 2021-028**

**East Peoria, Illinois**

**\_\_\_\_\_ , 2020**

**RESOLUTION BY COMMISSIONER \_\_\_\_\_**

**RESOLUTION AMENDING ELECTRICITY AGGREGATION PROGRAM FOR  
RESIDENTIAL AND SMALL COMMERCIAL RETAIL CUSTOMERS**

**WHEREAS**, Section 1-92 of the Illinois Power Agency Act (20 ILCS 3855/1-92) permits a municipality, if authorized by referendum, to adopt an ordinance by which it may operate a program to solicit bids and enter into service agreements for the sale and purchase of electricity and related services and equipment to residential and small commercial customers who do not opt-out of such a program; and

**WHEREAS**, after approval of a referendum for implementing an aggregation program, the City has adopted Ordinance No. 4036 that established a municipal electric aggregation plan and program for an opt-out electric aggregation program for eligible electric accounts within the City under the “City of East Peoria Energy Aggregation Plan for Operations and Governance” and as codified in Chapter 12 of Title 1 of the City Code and (the “Aggregation Program”); and

**WHEREAS**, the City has entered into Service Agreement with Good Energy, L.P., to serve as a consultant to the City related to the aggregation of residential electricity purchases made pursuant to the Aggregation Program, which Service Agreement was thereafter amended in December 2015, and this Amended Service Agreement remains in place for assisting the City with the periodic electricity supply contracts for the Aggregation Program; and

**WHEREAS**, due to the immediacy of entering into electricity supply contracts when new rates are established, the City Council has previously authorized the Mayor to receive and review bids for a new or renewal electricity supply contract and, in consultation with Good Energy, accept the bid most beneficial to the City without further action of the City Council, while also authorizing the Mayor and the City Clerk to execute such electricity supply contract for the Aggregation Program; and

**WHEREAS**, Section 1-92 of the Illinois Power Agency Act and its implementing regulations authorize a municipality to collect a civic contribution fee for assisting the

municipality with administrative costs related to the Aggregation Program and other City costs, provided that the civic contribution fee is imposed when a new or renewal electricity supply contract is entered into by the City for the Aggregation Program; and

**WHEREAS**, the City has determined that it is the best interests of the City to impose a civic contribution fee on all electricity usage consumed and paid for by residential and small commercial customers in the Aggregation Program, and that such civic contribution fee shall be assessed under the new contract entered into by the City on or after June 25, 2020, and all future electricity supply contracts;

**NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF EAST PEORIA, TAZEWELL COUNTY, ILLINOIS, THAT:**

**Section 1.** The statements set forth in the preamble to this Resolution are hereby found to be true and correct and are hereby incorporated herein.

**Section 2.** The corporate authorities of the City hereby amend the Aggregation Program as provided under Section 1-12-3 of the City Code and authorize and direct that a civic contribution fee be set and implemented at the rate of \$0.002 per kilowatt hour for all electricity usage consumed and paid for by residential and small commercial customers in the Aggregation Program with the City of East Peoria Energy Aggregation Plan for Operations and Governance so modified to include the civic contribution fee as set forth herein.

**Section 3.** The Mayor, with assistance from Good Energy (the consultant), shall implement that the City's civic contribution fee at the rate of \$0.002 per kilowatt hour by incorporating this fee into all new or renewal electricity supply contracts entered into by the City on or after the date of June 25, 2020, and this Resolution hereby ratifies any prior action taken by City Officials to implement this fee in an electricity supply contracts entered into by the City on or after the date of June 25, 2020.

**Section 4.** The provisions of this Resolution are hereby declared to be severable, and should any provision of this Resolution be determined to be in conflict with any law, statute, or regulation by a court of competent jurisdiction, said provision shall be excluded and deemed inoperative, unenforceable and as though not provided for herein, and all other provisions shall remain unaffected, unimpaired, valid and in full force and effect.

**Section 5.** All code provisions, ordinances, and resolutions, or parts thereof, in conflict herewith are, to the extent of such conflict, are hereby superseded.

**Section 6.** This Resolution shall be effective immediately and shall remain in effect until rescinded by the City, and shall be in effect for the current bid (on or after June

25, 2020) and any and all future bids associated with a new electricity supply contract or any renewal of an electricity supply contract for Aggregation Program.

**APPROVED:**

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Mayor

**ATTEST:**

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City Clerk