



## Memorandum

To: Members of the Administration and Public Works Committee  
CC: Members of Administration and Public Works Committee  
From: Cara Pratt, Sustainability and Resilience Coordinator  
Subject: Approval of a One Year Contract Extension with MC Squared Energy Services LLC to Provide Services to an Aggregated Group  
Date: March 31, 2025

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Recommended Action:

Staff recommends that the City Council authorize the City Manager to execute a one-year contract extension for the Extended Term Agreement Amendment No. 3 to the existing Master Agreement to Provide Services to an Aggregated Group between the City of Evanston and MC Squared Energy Services LLC.

Funding Source:

N/A

CARP:

Renewable Energy, Implementation, Accountability, & Partnerships

Council Action:

For Action

Summary:

The Climate Action and Resilience Plan (CARP) calls for the City to leverage existing programs, such as Electricity Aggregation, to achieve the City's goals. The City's Electricity Aggregation Program has been in operation since 2012. An initial 30-month agreement term with MC Squared Energy Services LLC has been in effect since July 2021, which was extended for a year, then for an additional six months until June 2025. Staff recommends an additional one-year extension to allocate appropriate time for the next procurement process. Under the existing contract, MC Squared offers enrolled customers a ComEd Price Match Offer. The contract extension will continue with the same ComEd price match, and all enrolled Evanston accounts will continue to pay exactly the same price for electricity as they would pay to ComEd. Furthermore, the program will continue to operate with an "opt-out" structure, and communications will be mailed citywide to communicate the contract extension if approved. The City expects to receive \$50,000 in a Civic Grant Contribution in late 2025 from the last extension amendment. If this amendment is approved, the City will receive a

\$150,000 Civic Grant Contribution in late 2026. Historically, the city has used the Civic Grant contributions to purchase renewable energy credits (RECs) on behalf of the enrolled Evanston accounts. To date, the City has used \$931,872 of the \$1,350,000 in Civic Grant Contributions to purchase RECs, and the remaining \$418,128 went to the Sustainability Fund.

Legislative History:

On September 24. In 2024, the City Council voted to approve a six-month contract extension for the Extended Term Agreement Amendment No. 2 to the existing Master Agreement to Provide Services to an Aggregated Group between the City of Evanston and MC Squared Energy Services LLC.

Attachments:

[Aggregation Program Amendment No. 3 with Exhibit A for 12 Month Term City of Evanston dated March 31st 2025 MC2](#)

**EXTENDED TERM AGREEMENT AMENDMENT NO. 3**

This Extended Term Agreement Amendment No. 3 (hereinafter the "ETA No. 3"), is entered as of this 31<sup>st</sup> day of March 2025 between the City of Evanston, Cook County, Illinois, an Illinois municipal corporation (hereinafter the "City") and MC Squared Energy Services, LLC (hereinafter the "Supplier") (each a "Party" and collectively, the "Parties").

WHEREAS, Supplier and City are the Parties to a Master Power Supply Agreement dated March 11, 2021, amended on September 12, 2023, and subsequently amended on September 26, 2024 (hereinafter the "MPSA" and ETA Amendments No. 1 and No. 2 which are hereby incorporated by reference).

NOW, THEREFORE, the Parties agree as follows:

1. The Parties agree to replace Exhibit A with Amended Exhibit A to reflect the mutually agreed extended term of twelve (12) months.
2. The Parties agree that by executing this ETA Amendment No. 3, the Extended Term will last until June 2026, subject to future mutual extensions.
3. The Parties agree that Supplier has the right to conduct subsequent opt-out cycles to add eligible customer accounts to Supplier Service and/or return eligible accounts to ComEd's Tariffed Service during the term of the Agreement twice annually traditionally in the spring and fall delivery periods. Supplier will provide at least thirty (30) days' notice to the municipality prior to such events.

IN WITNESS WHEREOF, the Parties have duly executed this Agreement to be effective on the date first written above.

Supplier: **MC Squared Energy Services, LLC**

Municipality: **City of Evanston**

Signed by:

Charles C. Sutton  
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Signed:

\_\_\_\_\_

Printed/Typed Name:

Charles C. Sutton

Printed/Typed Name:

\_\_\_\_\_

Title:

President

Title:

\_\_\_\_\_

Date: 3/31/2025

Date: \_\_\_\_\_

Attest:

Sharon Alegado  
76A13B25E7B5470...

Attest:

\_\_\_\_\_

Signed

Signed

Sharon Alegado

Printed/Typed Name:

\_\_\_\_\_

Printed/Typed Name:

Vice President, Sales and Marketing

Title:

\_\_\_\_\_

Title:

**AMENDED EXHIBIT A: (FOR COMED TARIFF PRICE MATCH PROGRAM)**

**PRICE**

**Eligible Customers**

Eligible Customers means residential and small commercial electricity customers receiving Retail Electric Supply within the Aggregation Area who are eligible to participate in the Program pursuant to the Aggregation Act and other requirements of law, including but not limited to 83 Ill. Admin. Code Part 470 and ComEd Rate GAP. Eligible Customers may be further classified as recipients of Retail Electric Supply from Retail Electric Supplier or Tariff Service and by such standards as mutually agreed to by the Retail Electric Supplier and the Government Aggregator and as carried out by the Retail Electric Supplier.

Except as otherwise required by the Aggregation Act or other requirements of law, Eligible Customers includes all residential and small commercial customers within the Aggregation Area excluding: (1) customers served by an ARES other than Retail Electric Supplier (other than the immediately previous Retail Electric Supplier supplying the City's Aggregation Program), including pending "with RES" status as reported by ComEd; (2) customers served under ComEd's Rate BESH, Rate RTOUPP, or Rider RRTP supply service, (3) customers identified as PIPP or LIHEAP on the ComEd list; and (4) customers enrolled in a net metering program other than a Participating Customer.

Eligible Customers in the initial and subsequent opt-out cycles will be placed on Retail Electric Supply service or Tariffed Service based on Retail Electric Supplier's criteria and discretion including the customer's usage patterns and wholesale market conditions as determined by the Retail Electric Supplier. Eligible Customers will be assessed the same Customer Class Price and will continue to receive monthly invoice statements from ComEd without regard to whether they are served by Retail Electric Supplier or on Utility Tariffed Service.

**Eligible Customer Class Price:**

Variable rate equal to the ComEd published tariff supply service costs including the Purchased Electricity Charges (PEC), Transmission Service Charges (TSC) and the Purchased Electricity Adjustment (PEA) for each applicable month for the Term of the Agreement.

Customers on Tariffed Service will receive supply service from ComEd pursuant to the terms of ComEd's Rate BES.

**Termination Fee for Withdrawing Customers:**

No Early Termination Fee - \$0.00 (Zero) per utility account.

**Delivery Term(s):**

Twelve (12) Months – June 2025 to June 2026

## **CIVIC GRANT AND REC PURCHASE PROGRAM (SPECIAL SERVICES)**

### Civic Grant Contribution:

Retail Electric Supplier agrees to provide an annual Net Civic Grant Contribution payment equal to the greater of (i) \$150,000.00 minus the costs of RECs procured by Retail Electric Supplier under the REC Purchase Program identified below and (ii) \$0.00 to the City for each Delivery Term within ninety (90) calendar days after the conclusion of such Delivery Term.

Notwithstanding the preceding, if the Agreement is terminated pursuant to Section 6.2.2 by City or 3.3.1 by either Party during a Delivery Term, Retail Electric Supplier's shall be obligated to provide a Net Prorated Civic Grant Contribution payment to City within ninety (90) days of the last month of electricity delivery prior to termination. The Net Prorated Civic Grant Contribution shall be calculated as follows:

$$\text{NPCGC} = (\text{CGC} \times \text{PM/TM}) - \text{RECC}$$

Where:

- NPCGC is the Net Prorated Civic Grant Contribution
- CGC is \$150,000.00 (one hundred fifty thousand US dollars)
- PM is the number of months from the beginning of Delivery Term through and including the last month with deliveries by Retail Electric Supplier prior to termination
- TM is the total number of months in Delivery Term
- RECC is the total costs incurred and documented by Retail Electric Supplier under the REC Purchase Program during that terminated Delivery Term

Notwithstanding any other provision in this Agreement, Retail Electric Supplier may terminate in its sole discretion, or mutually agree with City to adjust, the monthly Civic Contribution payment to the City if the number of accounts that Retail Electric Supplier serves under this agreement falls below the higher of 8,500 accounts or 25% of the total number of accounts reported by ComEd pursuant to Rate GAP, because it would not be financially viable for Retail Electric Supplier to continue funding below such number.

### REC Purchase Program (Special Services):

At the sole direction of the City, Retail Electric Supplier will acquire and retire voluntary Green-E® Certified Renewable Energy Certificates (RECs) on behalf of the Government Aggregator that meet the Sustainability goals and objectives of the City including but not limited to Wind and Solar generation RECs. Retail Electric Supplier shall from time to time and upon reasonable request by the City provide the City with information on the prevailing market-based rates for the RECs by generation type, location and vintage on at least a quarterly basis or as requested by the City at any time during the Delivery Term. Prior to Retail Electric Supplier purchasing any RECs on behalf of the City, the City will provide a written request (via email) to Retail Electric Supplier authorizing each REC purchase transaction. Such authorization shall document the City's request to acquire the RECs. Retail Electric Supplier will provide written confirmation (via email) of each REC purchase and will provide documentation of the actual invoices paid by Retail Electric Supplier to acquire the RECs from third-party REC providers.

