Testimony on Dynegy Request for a Pollution Waiver
17 January 2017, Peoria, Illinois

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My name is William C. Rau. I live in Bloomington, IL and am Professor Emeritus of Industrial Sociology, Illinois State University. Let me start with some salient facts.

1. Ameren paid Dynegy over $200 million to take over its five money-losing coal-fired power plants.[1]

   Why? Perhaps Ameren wanted to free itself from its pension obligations & plant cleanup costs.

2. Dynegy put these plants into “ring-fenced” or “non-recourse subsidiary” called Illinois Power Holdings or IPH.[2]

   This means that ***when*** IPH declares bankruptcy, its debt and obligations remain with the bankrupt subsidiary. They do not transfer to Dynegy, Inc. of Houston Texas. Does that mean that its Illinois workers will lose their pensions because their employer of recourse, IPH, is bankrupt even though the corporate parent is flush with cash?

3. Dynegy’s used its market dominance in Illinois to drive prices in capacity auctions from an average of $3.48 per MW-Day to $150.00 per MW-Day – or 43 times higher than nearby competitive markets.[3] Attorney General Lisa Madigan charged market manipulation to the Federal Energy Regulatory Commission agreed with her.[4]

4. Dynegy monopolizes municipal aggregation contracts through Homefield Energy, Ameren’s former energy marketer. Homefield now defines *force majeure* to include “accidents” and “required maintenance work” in aggregation contracts.[5] In the past, force majeure was limited to natural disasters, strikes, riots and wars, namely events that disrupt power production and delivery *and over which management has no control.*

   But Dynegy controls “maintenance work”; including it under force majeure is chilling. Does that mean they intend to cut maintenance costs to the bone and run these 50-year old plants till they drop? If a plant crashes with a halt to customer power delivery, tough luck. Because of the force majeure language, residents cannot sue Dynegy for losses due to an extended power outage.

These points mean that Dynegy executives are the corporate equivalents of a slippery gang of Texas cattle thieves.

5. Coal-fired power plants are closing left and right.[6] Next door, Ameren Missouri will close half of its coal-fired power plants after completing a $1 billion wind farm buildout.[7] Why? Because coal cannot compete against renewables or gas or energy efficiency. Dynegy’s plants will close. The only question is whether they close soon or sooner.

Dynegy is playing for one of two wins. If it gets a pollution waiver, it can eke out profits a bit longer while plant downwinders suffer or die.[8] If it does not get a waiver, Dynegy executives can jump on their Texas ponies, ride by the Pollution Control Board and shoot it up, ride by the Sierra Club and shoot it up, and then skedaddle out of Illinois. It either gets some more profits with more deaths in Illinois, or it gets some scapegoats.

What is one of the real issues in this hearing? It’s the politicians who write laws allowing a slippery gang of Corporate Cattle Thieves to abandon their workers, rip off their customers, cripple or kill people with respiratory illnesses, help to destabilize our climate, destroy the life chances of our grandchildren—*and get away with it all*.

Do the right thing. Deny this petition, save the lives of some downwinders, put on your flak jackets, and take some parting shots from Dynegy as you escort them to the boarder.

Thank you for the opportunity to testify.

Notes

[1] Dynegy (2013).

[2] See Figure 1.

[3] See Figure 2; and Tomich (2015).

[4] Kaften (2016); Reid (2016).

[5] Rau (2015), esp. pp. 8-9 in appendix.

[6] Harvey (2017); IEEFA (2018); Marcacci (2017) NACE (2018); Storrow (2017); Utility Dive (2017). As Table 1 shows, several IPH plants have capacity utilizations (run times) below 40%: Newton = 31%; Joppa = 33%. These plants are not long for this world should these low run rates continue.

[7] Barker (2015); Gray (2017); O'Boyle (2017);. To save money, Ameren Missouri will be closing half of its coal-powered plants after it builds its wind farms and solar arrays. Question: why did not Illinois policy makers jaw bone Ameren into doing the same in Illinois (e.g., Renew Missouri 2017). We have better wind resources than Missouri.

[8] Table 2; Lockwood et al (2009). Estimated deaths and illnesses will be lower today because these plants are presently running well below their rated capacity (Table 1). Run rates have dropped because plants' marginal costs are often too high to meet the merit cutoff in Illinois' deregulated energy markets. The petition for a pollution waver is, in fact, a request for a hidden subsidy that would cut the marginal cost of plants thus improving their run rates and cash flow. This subsidy will also increase plant kill rates. The choice is clear: save lives in Illinois or send profits to Texas.

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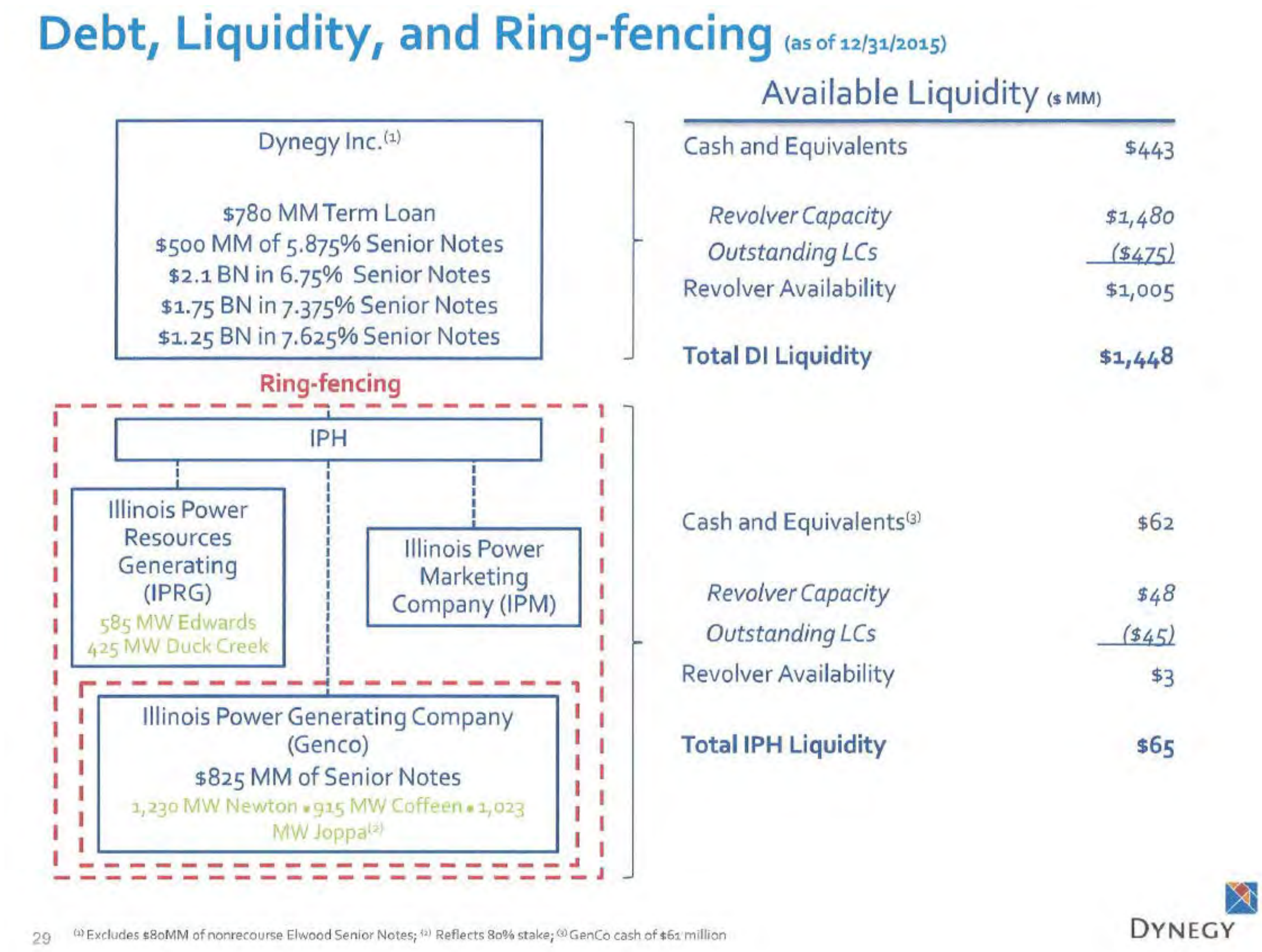
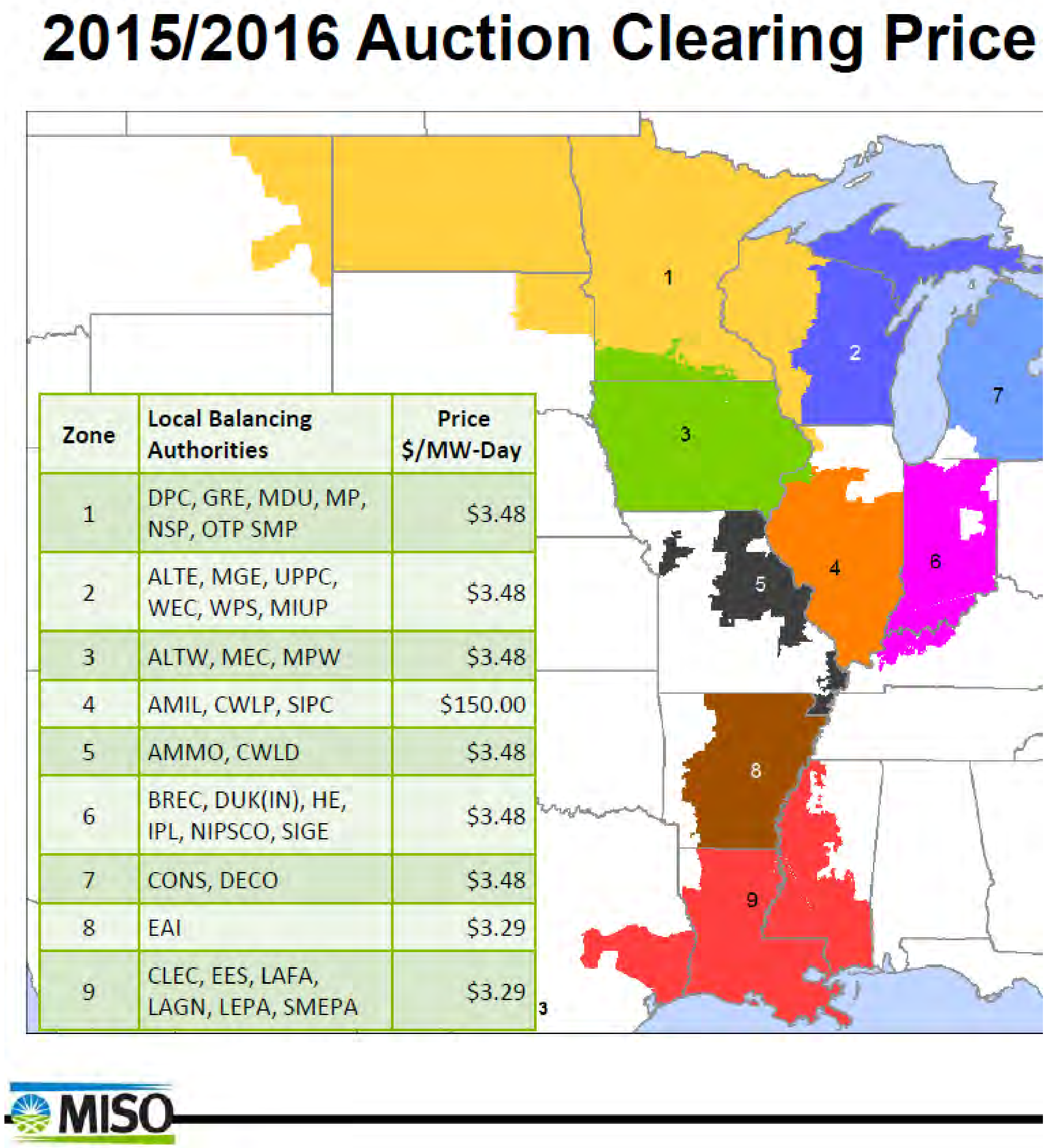
Figure 1. Dynegy's Ring-Fencing Graph of Illinois Power Holdings



Source: Dynegy. 2016 (Feb 24). Fourth Quarter and 2015 Full Year Review; file:///C:/Users/Bill/Documents/!%200%202018%20Dynegy/Dynegy%204Q%202015%20Earnings%20Presentation%20FINAL.pdf

Figure 2. MISO Graph of 2015 Auction Clearing Price: Dynegy in Zone 4 v. Eight Other Zones



Zone	Local Balancing Authorities	Price $/MW-Day
1	DPC, GRE, MDU, MP, NSP, OTP SMP	$3.48
2	ALTE, MGE, UPPC, WEC, WPS, MIUP	$3.48
3	ALTW, MEC, MPW	$3.48
4	AMIL, CWLP, SIPC	$150.00
5	AMMO, CWLD	$3.48
6	BREC, DUK(IN), HE, IPL, NIPSCO, SIGE	$3.48
7	CONS, DECO	$3.48
8	EAI	$3.29
9	CLEC, EES, LAFA, LAGN, LEPA, SMEPA	$3.29

Source: https://www.misoenergy.org/Library/Pages/Results.aspx?q=2015-2016%20PRA%20Results

Table 1. Actual Capacities or Run Times of Dynegy's Illinois Plants

Power Plant	City	MW Cap	100% Prod. (MWh)	2008 Gen. (MWh)	2016 Gen. (MWh)	2008 Run %	2016 Run %
Dynergy's IPH Plants							
Newton	Newton	1234.8	10,816,848	8,500,967	3,330,258	78.6	**30.8**
Joppa Steam	Joppa	1099.8	9,634,248	8,049,398	3,162,666	83.5	**32.8**
E.D. Edwards	Bartonville	780.3	6,835,428	4,415,822	2,811,862	64.6	41.1
Coffeen	Coffeen	1005.4	8,807,304	5,516,937	4,606,098	62.6	52.3
Duck Creek	Canton	441.0	3,863,160	2,234,527	2,108,062	57.8	54.6
Dynergy's CoalCo Plants							
~~**Wood River 4-5**~~*	~~Alton~~	~~500.1~~	~~4,380,876~~	~~3,250,767~~	~~853,427~~	~~74.2~~	~~**19.5**~~
Kincaid	Kincaid	1319.0	11,554,440	7,455,917	4,284,882	64.5	**37.1**
Hennepin Station	Hennepin	306.3	2,683,188	1,609,505	1,436,468	60.0	53.5
Havana 6	Havana	488.0	4,274,880	2,690,223	2,353,449	62.9	55.1
Baldwin Complex	Baldwin	1894.1	6,592,316	3,073,751	9,793,431	78.8	59.0
Others							
Joliet 9 ST	Joliet	360.4	3,157,104	1,735,751	206,765	55.0	**6.5**
Joliet 29	Joliet	1320.0	11,563,200	5,689,835	1,601,067	49.2	**13.8**
Will County	Romeoville	1268.8	11,114,688	6,193,964	2,112,720	55.7	**19.0**
Powerton	Pekin	1785.6	15,641,856	9,194,144	4,549,252	58.8	**29.1**
Waukegan	Waukegan	681.7	5,971,692	3,967,430	1,772,772	66.4	**29.7**
Dallman	Springfield	617.8	5,411,928	1,439,185	1,785,396	26.6	**33.0**
Prairie State E.C.	Marissa	1766.0	15,470,160	-	0,619,157	0.0	68.6
Marion	Marion	272.0	2,382,720	1,513,620	1,651,577	63.5	69.3

* Closed in late 2016, according to Dynegy, because of Illinois' "unfair" (i.e., deregulated & competitive) energy markets.

Source: Union of Concerned Scientists (2017); https://www.ucsusa.org/clean-energy/coal-and-other-fossil-fuels/coal-transition#.Wl7PnzdG1Pa

Table 2. 2010 Estimated Deaths & Illnesses from Ameren Coal Plants – Now Owned by Dynegy

Plant	Deaths	Heart Attacks	Asthma attacks	Hospital admits	Chronic bronchitis	Asthma ER visits	Total $$ Costs
Coffeen	28	43	480	21	17	30	222,906,000
Duck Creek	17	26	280	12	10	18	127,702,000
Edwards	7	10	110	5	4	7	51,019,000
Joppa	40	61	670	28	24	42	308,420,000
Newton	28	28	460	19	17	29	212,495,000
TOTAL	**120**	**168**	**2,000**	**85**	**72**	**126**	**$922,542,000**

Sources: http://www.sourcewatch.org/index.php/Coffeen_Power_Station
http://www.sourcewatch.org/index.php?title=Duck_Creek_Station
http://www.sourcewatch.org/index.php/Edwards_Generation_Plant
http://www.sourcewatch.org/index.php?title=Joppa_Steam_Plant
http://www.sourcewatch.org/index.php/Newton_Power_Station

23 June 2015

Cara Hendrickson, Chief
Public Interest Division
Office of the Illinois Attorney General
100 West Randolph Street, 11th Floor
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Dear Counsel Hendrickson:

I want to share with the Attorney General's Office data gathered on Dynegy's role in the Central and Southern Illinois municipal aggregation market. Dynegy now holds over 90% of the municipal or electric aggregation contracts in the Ameren service area and therefore exercises near-monopoly control over that market. It is possible that an investigation into its current practices in the aggregation market may strengthen the Attorney General's case against Dynegy's manipulation of the April 2015 MISO capacity auction by finding one or more of the following:

1. High-cost, non-competitively bid energy contracts in the municipal aggregation market that use the Dynergy-engineered increases in Ameren's default power rate as a basis for calculating municipal aggregation savings;
2. Misleading communications by Good Energy, a professional consultant for governmental aggregators in the Ameren service area, to convince Bloomington city officials to replace Renewable Energy Certificates with a coal-fired power contract--to the benefit of Dynegy;
3. Deceptive labeling practices by Dynegy to conceal the shift from RECs to coal-fired energy

My point of entry on the discovery of Dynegy's near monopoly status in the municipal aggregation market concerns the 2015-2018 contract between the City of Bloomington and Homefield Energy. Homefield, once an energy broker and apparently largely independent subsidiary of Ameren, is now the direct marketing arm of Dynegy's nine coal-fired power plants in Illinois. Bloomington's professional consultant, Good Energy, managed Bloomington's first (2013-2015) municipal aggregation contract with Homefield when it was an Ameren subsidiary. At that time, Homefield's sales director was Tom Leigh. Good Energy also managed Bloomington's second contract (2015-2018), again with Homefield which is now a Dynegy subsidiary. By the time of the second contract, Tom Leigh had become a director at Good Energy.

Citizen's groups supported municipal aggregation in public referenda because of its potential to (1) help complete the transition from monopoly (utility) energy pricing to competitive market pricing; (2) possibly allow residents to obtain lower prices through bulk power purchases [aggregation]; (3) open community access to electricity suppliers with green energy choices; and (4) allow aggregator purchase in the future from community owned and controlled solar and wind facilities.

Bloomington's first aggregation contract achieved goals 2 and 3. Aggregated power rates dropped 20% compared to Ameren's rates, and the City contracted for 100% Renewable Energy Certificates (RECs). Calculations indicate that the 100% RECs cut the carbon dioxide emissions of aggregation customers' homes and apartments by at least 40%. In contrast the new 3-year contract, increases rates 25%, and relies on 90% coal-fired power that will release 575,000 tons of CO_2 over the life of the contract.[1]

Consider first the ComEd service area. Data suggest that the first three municipal aggregation goals have been realized. Six major energy suppliers compete for aggregation contracts; power prices once dictated by ComEd are dropping; and many cities have chosen green energy contracts.

Contrast this outcome with the present state of affairs in Ameren's service area:

1. According to Illinois Commerce Commission data, Homefield/Dynegy holds 93% of the municipal aggregation contracts in Ameren's service area;[2]
2. Given #1, it follows by necessity that Good Energy--the dominant consultant and manager of aggregation bidding processes & contracts in Central and Southern Illinois--has placed all, or nearly all, aggregation contracts it negotiated with Homefield/Ameren and Homefield/Dynegy;
3. To reiterate, during the first Bloomington aggregation contract, Tom Leigh was the Sales Director for Homefield. He is now a Director for Good Energy.

Given these facts, does Good Energy serve the interests of governmental aggregators? Or, instead, has it accommodated itself to Homefield/Dynegy's near-monopoly control over municipal aggregation in Ameren's territory with the end result that aggregators pay inflated prices for power on Dynegy-favorable service terms?

Good Energy's management of the second Bloomington's aggregation bidding process, the resulting price of power in the winning bid, and the terms and conditions in customers' service agreement with Homefield/Dynegy all indicate Good Energy has been more responsive to Dynegy's interests than to the interests of Bloomington who paid Good Energy's professional service fees:

1. Good Energy used pre-selection to devise a bidding pool with only two power suppliers: Homefield /Dynegy and Constellation/Exelon. These two companies offer among the highest prices to individual homeowners in the Alternative Residential Energy Supplier market.[3]
2. The electricity prices in Bloomington's second contract appears to bear no relation to what one would expect under competitive bidding:[4]

Procurement Date	Wholesale Price	Contract Price	Markup
	Cents per Kilowatt hour		
May15, 2013	4.539	4.460	1.6%
Mar 12, 2015	2.988	*5.819**	94.7%

* *90% coal-fired price of 5.669 adjusted by .15 cents for 100% RECs contract, or same as the 2013 contract.*

3. I asked a power supplier for a ballpark price for a Bloomington aggregation bid. The figure, due to the "highly competitive nature of current energy markets," was 3.5 ¢/kWh: a 17% markup.

4. There was a third Good Energy finalist: MidAmerican. However, it "made a business decision" to withdraw from the bidding process. Worth note: MidAmerican has been offering *individual residential customers* in Bloomington a traditional power contract of 5.69 ¢/kWh--essentially the same price contained in Homefield/Dynegy's "winning" contract for *18,000 customers.*

Is it not strange that Homefield/Dynegy's price of 5.669 ¢/kWh, settled on March 12, 2015, is just 3/10ths of a cent below Ameren's planned June 1, 2015 power rate increase to 5.966 ¢/kWh[6]--an increase that is the direct result of Dynegy's gaming of the MISO capacity auction later in March? Did Homefield have foreknowledge of the likely Ameren energy price increase as a result of its parent company's plan to manipulate the MISO auction?

Terms and conditions in the service agreement with customers also change between the initial May 2013 Bloomington-Homefield contract and Homefield/Dynegy's 2015 Service Agreement Terms and Conditions. Each change benefits Homefield/Dynegy. It is important to note that Good Energy devises these terms and conditions. In Tom Leigh's words, Good Energy required "pre-negotiation of required contract structure and terms" under which the winning power supplier would operate.

Here are the changes:

Comparison of Bloomington's 17 page Contract with Homefield on May 15,2013 with Homefield's Electric Supply or Terms & Conditions Agreement with Bloomington Ratepayers for 2015-2018

Terms	*Bloomington's 17 page contract with Homefield Energy, 2013-2015*	*Homefield/Dynegy's Terms & Conditions with Bloomington ratepayers, 2015-2018*
Force Majeure	Natural disasters, unusually severe rain or snow storm, strike, war, riots, etc. (p. 12).	Standard Force Majeure Events + *"accidents"* & *"required maintenance work."*
Customer Information	"Homefield … shall not disclose, use, sell or provide customer account information to any person, firm or entity for a purpose outside the operation of the program. Provision survives termination of Agreement" (p. 16).	"*You authorize* Homefield to release information [including but not limited to all account information] to third parties, *including* affiliates that need to know such information in connection with your Retail Power service *(emphasis added)*.
Fees--Early Termination	No termination fees, charges, conditions, terms unless they, or the possibility of a change in the same, are clearly disclosed (p. 9).	ICC may change contract regulations. to allow early termination fees. Ameren will give notice of changes and time allowed to terminate without penalty. Can also terminate w/o fee-penalty if Homefield is notified with 10 days after *1st bill*.
Price	Details in Exhibit A, which I don't have. But $0.04539 for 100% RECs, 7/13 to 5/15. Rate is fixed "unless Utility's BGS-1 or BGS-2 default rate is set below Home-field's Power Price." Then Bloomington to notify Homefield if it will continue or terminate the contract, or request Homefield to offer a lower price (pp.3-4).	$0.05669 for 90% coal-fired power, 6/15 to 6/18. There are "no guarantees" on how its price will compare with Ameren. Also, Homefield can "adjust" the contract price if things "beyond its reasonable control affect the price, sale, or transmission, distribution, purchase or other obligation" for provision of power.

While Force Majeure Events are found in all energy-related contracts, they do not normally contain events that managements can and do control "Required maintenance work," is one of these controllable events, and has no place under Force Majeure. All well-run companies schedule preventative maintenance to avoid serious outages; they don't wait until things break. The exception involves companies that are milking old cash cows to the point of collapse. Should that happen to coal-fired plants supplying electricity to Bloomington, ratepayers have signed away their right to sue for damages because our first contract states, "HOMEFIELD DOES NOT WARRANT OR GUARANTEE THE UNINTERRUPTED

DELIVERY OF RETAIL ELECTRIC SUPPLY TO AGGREGATION PROGRAM MEMBERS DURING FORCE MAJEURE EVENTS" (p. 12. *Emphasis in original*).

The inclusion of "required maintenance work" under Force Majeure raises some grave concerns given the corporate trade where Ameren paid Dynegy $200 million to take over both Homefield and Ameren's five coal-fired power plants *along with their employee pension costs and environmental liabilities.* In turn, Dynegy merged both Homefield and Ameren's five power plants into a *non-recourse subsidiary* called Illinois Power Holdings (IPH). Others have argued IPH is undercapitalized.[7] These two facts--undercapitalization and non-recourse subsidiary status--suggest that Dynegy's plan is to exploit its IPH assets for all the cash they can generate while cutting or eliminating deferrable costs, such as preventative maintenance. The probability of outages is thereby increased, along with possible interruption of power service to Bloomington.

As with a non-recourse mortgage, Dynegy can walk away from IPH, should IPH declare bankruptcy. Then, none of IPH's liabilities will be the responsibility of Dynegy. Workers will lose their pensions and Illinois taxpayers will be stuck with the cost of environmental cleanup at the sites of five abandoned coal-fired plants. Should there be a serious outage "requiring maintenance work," Bloomingtonians will have no right, under their service terms and conditions with Homefield, to sue for damages.

Would a reputable, well-run energy supplier transpose Force Majeure into clause requiring its end users to take on the risks and possible costs of outages due to equipment or plant malfunctions--outages that can eliminated or significantly reduced by companies through preventative maintenance?

The customer information term is also cause for concern. Homefield/Dynegy's definition of "third parties," to whom it can release confidential customer data, is vague and broad. Note that it is larger than "affiliates that need to know" to ensure power delivery. Are these undefined third parties fully schooled in Section 470.111 (Protection of Customer Information) of the Illinois Public Utilities Act[8], or will this section be honored in the breech?

I should note in passing that the Town of Normal has the same terms and conditions in its second service agreement as found in Bloomington's. It is possible then that the four terms reviewed above are found in all Homefield/Dynegy terms and conditions agreements dating from 2014 forward.

Finally, there is the issue of the information that Good Energy and Homefield Dynergy presented to elected officials, city administrators, and aggregation rate payers. Let's start with Homefield/Dynegy's depiction of Bloomington's 90% coal contract at its webpage (as of May 30, 2015; http://www.homefieldenergy.com/community/bloomington.php):

> ***Welcome Bloomington Residents!***
>
> *We are proud to have been chosen as your community's retail electric supplier. You will soon receive notification from your community and Homefield Energy regarding the program. Upon switching, customers will be charged the electric supply rate indicated in the table below. Learn how to enroll.*

100% Green	***Term***
$0.04539 per kWh	*Jul 2013 - May 2015*
$0.05669 per kWh	*Jun 2015 - Jun 2018*

> *Customers can compare the new Homefield Energy electric supply rate to the applicable Ameren Illinois rate by checking the Price to Compare. The Price to Compare for Ameren Illinois or ComEd customers is calculated by the Illinois Commerce Commission to assist customers in comparing alternative retail electricity supply rates against comparable utility charges. Please note that the utility's delivery service charges, taxes and other fees are not included in the Homefield Energy price.*

How does a 90% coal contract come out 100% green? Probably the same way that coal disappears from the Fact Sheet, *Dynegy in Illinois.* The sheet touts Dynegy's "local, safe, reliable, environmentally responsible and affordable energy in Illinois"; yet, it fails to mention that 9 of its 11 power plants are coal-fired and that five of these--the former Ameren plants--lack scrubbers. Dynegy, like Ameren before it, received from the Illinois Pollution Control Board a five-year waiver on pollution upgrades at these plants. More importantly, the word coal is also missing in the letter

Homefield/Dynegy sent to all Bloomington ratepayers on the new municipal aggregation contract *even though the shift from 100% RECs to 90% coal-fired power would be defined by many Bloomingtonians as a material change in the electric supply agreement.* Many people would have opted out of contract had they been privy to these details. And, they will most like do so soon if the contract is not changed to purchase 100% RECs.

Earlier, Tom Leigh's Feb 25, 2015 presentation and handout to the Bloomington City Council stated that an aggregation benefit would be "renewable energy at 100%, which is equivalent to nearly 28,000 cars NOT being driven for one year." Leigh also went on to warn that "wholesale prices are up ~30% from previous levels" and that "capacity prices are up significantly as well." One of Good Energy's graphs lists an "Illinois Hub" price of $49.88 MWh, which suggests this number as a possible price (see appendix).[9] As we now know, the actual wholesale price was $29.88 / MWh on the day of procurement--or 40% below Tom Leigh's implied price.

Good Energy failed to note that it narrowed its list of qualified suppliers to only two high-priced power merchants, that the terms and conditions in its service agreement contained material changes, and, other than one dramatic but brief four-day spike upward in the middle of February 2015, wholesale prices had been clearly trending down after the cold winter of 2013/2014 to bottom out during Bloomington's procurement date of March 12, 2015. The March 12th wholesale price placed in the lowest tenth percentile for Indiana Hub prices over the last 10 years. As noted above, there is an 94.7% markup between the wholesale price of electricity on March 12, 2015 and the price in the aggregation contract.

Good Energy also misled city administrators. Administrators were led to believe that RECs were a tax that went to Springfield, that more expensive green energy did not arrive to peoples' homes because "green electrons" were diluted by electrons from conventional energy sources and that therefore aggregation customers received little or no value from RECs. With the idea established that RECs were a kind of tax, at the very moment that city administrators were facing increasing criticism from citizens over increased city levies, garbage collection fees and the like, it is understandable that administrators would be reluctant to sign off on yet another "fee hike," with almost certain criticism, even though it was the clear intent of the elected council and a large fraction of the citizenry to buy RECs.

This then is my accounting of the facts as I best understand them. As Attorney General Lisa Madigan's present complaint before FERC indicates, "the Illinois Attorney General is directed by statute 'to protect the rights and interests of the public in the provision of all elements of electric . . . service both during and after the transition to a competitive market, and . . . to ensure that the benefits of competition in the provision of electric . . . services to all consumers are attained.'"[10]

I believe that rights and interests to benefit from competition in the provision of electric services have been violated in the Good Energy-Homefield/Dynegy deal offered to the City of Bloomington and its rate payers. Given the facts presented here, cannot Bloomingtonians claim that the energy price in our aggregation contract is every bit as "unjust and unreasonable" as the market clearing price that Dynegy dictated in the 2015 MISO capacity auction? I am therefore requesting that you examine the facts presented here and determine the merit of this claim.

Sincerely yours,

William C. Rau
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309-433-4584

Cc: Susan L. Satter, Public Utilities Counsel, Office of the Illinois Attorney General
James Gignac, Energy & Environmental Counsel, Office of the Illinois Attorney General
Sameer H. Doshi, Public Utilities Bureau, Office of the Illinois Attorney General

Notes

1 With 18,000 ratepayers anticipated to fall under a 90% coal contract, with the average ratepayer consuming at least 12,000 kilowatts of power, and with coal-fired electricity generating 1,000 grams of CO_2 per kilowatt,[a] this contract will cause the release of *194,000 metric tons of CO_2 per year.*

Contrast this outcome with wind power, which generates about 11 grams of CO_2 per kilowatt,[a] or roughly 2,400 metric tons of CO_2 per year. 100% wind power RECs for the City of Bloomington would yield a 98% reduction in electricity-generated CO_2 emissions over a coal-fired power contract.

* International Panel on Climate Change, 201. IPCC and other greenhouse gas estimates for different power sources are summarize in https://en.wikipedia.org/wiki/Life-cycle_greenhouse-gas_emissions_of_energy_sources

2 **Municipal Aggregation Contracts by Supplier in ComEd and Ameren Service Areas [b]**

UTILITY SERVICE AREA								
ComEd					*Ameren*			
Rnk	Supplier	#	%		Rnk	Supplier	#	%
1	Homefield (56)+Dynegy (23)	79	28.4		1	Homefield (Dynegy)	295	93.1
2	Constellation/Exelon	60	21.6		2	First Energy	16	5.0
3	First Energy	56	20.1		3	Constellation	4	1.3
4	MidAmerican	26	9.3		4	Energy.ME	1	0.3
5	MC Squared	19	6.8		5	MidAmerican	1	0.3
6	Direct Energy	15	5.4					
7	Eligio	9	3.2					
8	Verde	9	3.2					
9	Energy.ME, Liberty, Nordic	5	1.8					
	Total Contracts	*278*				*Total Contracts*	*317*	

[b] These data were assembled from the Illinois Commerce Commission's PlugIn Illinois website as updated on May 18, 2015 (http://www.pluginillinois.org/MunicipalAggregationList.aspx). Ameren's list of government aggregators contains 395 active and 27 pending MA contracts. So, published the ICC data base is missing almost 20% of the active MA aggregators.

3 Unlike the power rates in commercial, industrial or aggregation contracts, which vary depending on the number of megawatt hours under contract, residential power rates are posted on websites and may give some sense for the price ranking for the same supplier's bulk purchase rates. Retail rates can be accessed through the supplier web addresses given at the Illinois Commerce Commission's website at: http://www.pluginillinois.org/suppliers.aspx Here is a partial summary:

Ameren Service Area: Retail Contracts (May 7, 2015 quotes)				
Rank	Supplier	Price	Term	Fees
1	Ameren	4.54	Thru May	
	Ameren's rate will increase to ~5.966 ¢ / kWh on June 1, 2015			
	Ambit	*5.66*	***12 mo***	None
2	MidAmerican	5.69	24 mo	None
	Direct Energy	*5.75*	***12 mo***	None
3	AEP*	6.45	24 mos.	
	Homefield/Dynegy	*6.95*	***12 mos.***	*None*
	*Constellation/Exelon**	*6.89*	***12 mos.***	
4	Direct Energy	6.99	24 mos	None
5	**Homefield/Dynegy**	**7.04**	**24 mos.**	**None**
ComEd Service Area; Retail Contracts (April 15, 2015 quotes; assembled by CUB)				
Rank	Supplier	Price	Term	Fees
1	ConEdison Solutions	7.19	21 mos.	None
2	MidAmerican	7.20	24 mos.	None
3	Champion	7.20	24 mos.	Exit fee: $10/months left
4	AEP Energy	7.25	May 2017	None
5	Energy.ME	7.27	24 mos.	None
6	Constellation/Exelon	7.39	36 mos.	$150 exit fee.

7	**ComEd**	7.57	Thru May	

* On May 7, 2015 AEP and Constellation were offering alternative residential electricity in the Ameren service area. As of May 21, 2015, offers are no longer posted at their websites.

4 Wholesale energy prices are available at the Energy Information Agency's Wholesale Electricity and Natural Gas Market Data website: http://www.eia.gov/electricity/wholesale/index.cfm Click on the appropriate year and scroll down to the Indiana Hub to a date. Here are the March 12, 2015 prices:

Trade	Start	End	High	Low	Wt. Av.	Change
3/10/2015	**03/11/15**	**03/11/15**	**30.25**	**30.25**	**30.25**	**-3.380**
3/11/2015	**03/12/15**	**03/12/15**	**29.90**	**29.85**	**29.88**	**-0.370**
3/13/2015	**03/16/15**	**03/16/15**	**30.75**	**30.00**	**30.25**	**0.370**

5 Go to https://www.midamericanchoice.com/residential/enrollment1.aspx As of May 26, 2015, the price was 5.69 ¢ / kWh for a two-year, fixed-price contract.

6 CUB. 2015 (May). Electric Rate Hikes in Central, Southern Illinois. Citizens Utility Board; http://www.citizensutilityboard.org/ciElectric_cubfacts_2015AmerenRateHike.html#

7 Dynegy. 2013 (Mar 14). Dynegy to Acquire Ameren Energy Resources, Expanding Illinois Portfolio; http://phx.corporate-ir.net/phoenix.zhtml?c=147906&p=irol-newsArticle_Print&ID=1796097&highlight=

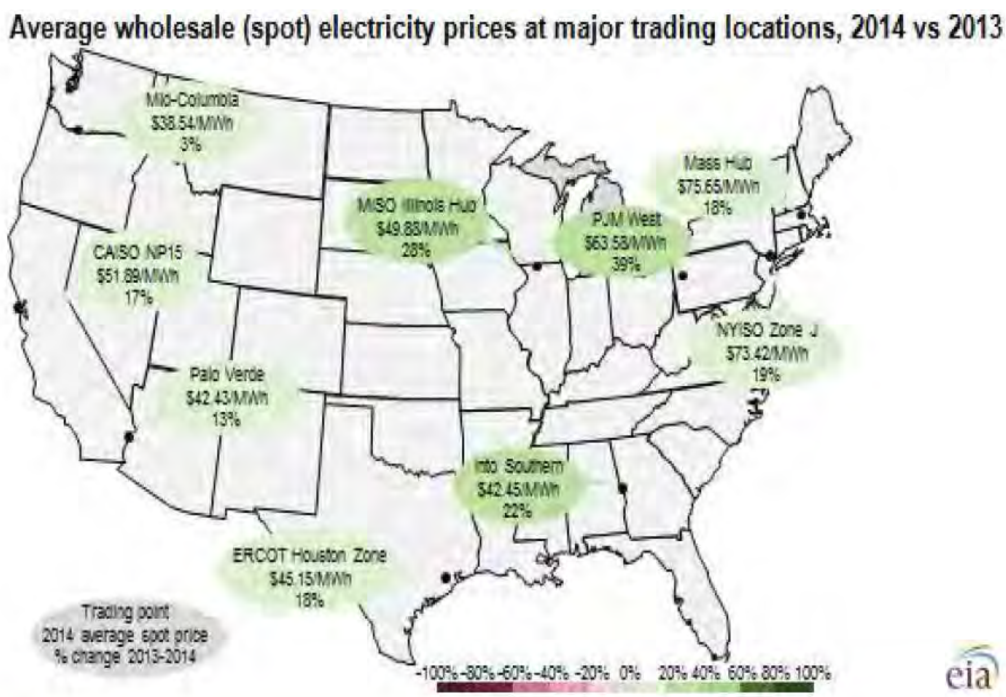
Tomich, Jeffery. 2013 (Sep 13). Air pollution waiver may decide fate of Illinois coal plants. St. Louis Post Dispatch; http://www.stltoday.com/business/local/air-pollution-waiver-may-decide-fate-of-illinois-coal-plants/article_8a11bd49-43e0-59e5-b6c7-4cc1a689ea5c.html 12:15 am

Fortino, Ellyn. 2013 (Sep 17). Proposed Dynegy Coal Pollution Waiver Divides Environmental, Labor Groups At IL Hearing. Progress Illinois; http://progressillinois.com/posts/content/2013/09/17/proposed-dynegy-coal-pollution-waiver-divides-environmental-labor-groups-il

8 Section 470.11 can be found at: http://www.ilga.gov/commission/jcar/admincode/083/083004700B01100R.html

9 City of Bloomington Council Proceedings, February 25, 2015: Pages 259-261; www.cityblm.org/modules/showdocument.aspx?documentid=8218

10 15 ILCS 205/6.5(A)



Source: City of Bloomington, Council Meeting Agenda. February 23, 2015. Page 260. See also http://www.eia.gov/todayinenergy/detail.cfm?id=19531&src=email EIA indicates that the high prices in 2014 were mostly due to the effect of the cold winter on energy prices during the early months of 2014.